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REPORT

OF THE

DELEGATES OF INDIA

TO THE

FIRST SESSION OF THE ASSEMBLY

OF THE

LEAGUE OF NATIONS.

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Confidential.

REPORT OF THE DELEGATES OF INDIA TO THE FIRST SESSION OF THE ASSEMBLY OF THE LEAGUE OF NATIONS.

TO THE RIGHT HONOURABLE E. S. MONTAGU, M.P., HIS MAJESTY'S PRINCIPAL SECRETARY OF STATE FOR INDIA.

SIR,

We beg to submit our Report on the proceedings of the first session of the Assembly of the League of Nations at Geneva, at which we had the honour to represent India.

It may be mentioned that confidential weekly reports were sent by Sir William Meyer to the Under Secretary of State for India, and copy of the same to the Hon'ble Sir George Barnes for the information of the Government of India.

2. The Assembly met at Geneva on Monday, 15th November, in accordance with the message of the President of the U. S. A. summoning it under the last paragraph of Article V. of the Covenant. The Assembly consisted of representatives of 41 States, the majority of whom sent three delegates apiece, though some had two or only one. The list of the States represented and of the delegates will be found in Appendix I.

3. M. Hymans (Belgium), at that time President of the Council of the League, was elected President of the Assembly, and an address of welcome was given by M. Motta, President of the Swiss Confederation and the leading Swiss delegate. The proceedings were lengthened inevitably by the fact that the Assembly is officially bi-lingual, *i.e.*, every speech made in French had to be translated into English and *vice versa*, and the official interpreters were, some of them, very indifferent. The delegates sat in the alphabetical order of their countries, with the result that India and New Zealand were a good distance away from the other Empire Delegations. The acoustic properties of the hall in which the Assembly met are very poor, which added to the difficulty of following what was said.

4. After determining provisional rules of procedure, to be in force until definite rules should be framed, the Assembly set up six Committees for preliminary examination of the bulk of the agenda it had adopted. This agenda is set out below and consisted largely of subjects referred to the Assembly by the Council, but also included items submitted by the Secretary-General (*e.g.*, Nos. 17 and 18) or placed on the agenda at the request of Members of the League (*e.g.*, Nos. 8, 15 and 20).

The six Committees were to deal with items 7 to 29, distributed in the manner indicated, and each Committee included one representative of every Delegation present, while provision was made for a delegate who could not conveniently attend to be represented by a substitute (*see* Appendix II., Resolution 3). The result was that each Committee consisted of about 40 members, an unwieldy body for Committee purposes.

The distribution of the groups was as follows :—

Item No.	Subject.
Not referred to any Committee.	1 Report on credentials of representatives.
	2 Election of President.
	3 Temporary adoption of provisional rules of procedure.
	4 Examination and adoption of agenda.
	5 Nomination of Committees.
	6 General Report on the work of the Council.

General Organisation.

Item No.	Subject.	
Referred to Committee No. I.	7	Definite rules of procedure.
	8	Proposed amendments to the League Covenant.
	9	The relations and respective powers of the League's Council and Assembly.
	10	Method of selection and appointment of the four Secondary States to be elected by the Assembly to the Council, in which the Great Powers (Great Britain, France, Italy and Japan) have permanent representation.

Technical Organisation.

Referred to Committee No. II.	11	Relations between special technical organisations on the one hand and the Council and Assembly of the League on the other.
	12	Establishment of a permanent Health Organisation.
	13	The position in regard to typhus and other infectious diseases in Poland and elsewhere and the measures to be taken to combat them.
	14	Supervision of the execution of agreements with regard to the traffic in women and children (White Slave Traffic).
	15	Steps in connection with the carrying out of the provisions of the Hague Opium Convention, the Netherlands Government desiring to pass on the special responsibilities imposed on it to the League.
	16	The establishment of a permanent organisation to deal with communications and transit questions falling within the sphere of the League under the Treaty of Versailles.
	17	Tribunal for the settlement of differences referred to in Articles 336, 337, 376 and 386 of the Treaty of Versailles and the corresponding articles of other treaties.
	18	Passports for members of the Secretariat.
	19	Question of an Economic and Financial Organisation (with reference to the Report of the Brussels Conference).
	20	Claim of India to be represented on the Governing Body of the International Labour Office.
		Three further subjects were subsequently referred to Committee No. II., *viz.*, (*a*) Children in countries affected by the war; (*b*) "International Language"; (*c*) "The organisation of Intellectual Labour."
Referred to Committee No. III.	21	Establishment of a Permanent Court of International Justice at the Hague.

Financial Arrangements.

Referred to Committee No. IV.	22	The staff and organisation of the Secretariat.
	23	The first and second budgets of the League (running up to the end of 1920).
	24	Provisional estimates for the 1921 budget.
	25	Future method of apportionment of the expenses of the League.

	Item No.	Subject.
Referred to Committee No. V.	26	Admission of fresh States to the League.
Referred to Committee No. VI.	27	Reduction of armaments.
	28	Preparations required for the use of the "economic weapon" of the League in case of necessity (*see* Article XVI. of the Covenant).
	29	Mandates (with special reference to the responsibilities of the League under Article XXII. of the Covenant).

5. Sir William Meyer represented the Indian Delegation on Committees Nos. II. and VI., H. H. the Maharaja Jam Saheb of Nawanagar on Nos. IV. and V., and Sir Ali Imam on Nos. I and III.

6. Each of the six Committees appointed its own Chairman and Vice-Chairman, the Chairmen becoming *ex officio* Vice-Presidents of the Assembly. The selections were as follows :—

Committee No. I. :—Chairman, Mr. Balfour ; Vice-Chairman, Mr. Wellington Koo (China).

Committee No. II. :—Chairman, M. Tittoni (Italy) ; Vice-Chairman, M. Thomas Jonnesco (Rumania).

Committee No. III. :—Chairman, M. Léon Bourgeois (France) ; Vice-Chairman, M. Affonso Costa (Portugal).

Committee No. IV. :—Chairman, M. Quinones de Léon (Spain) ; Vice-Chairman, Dr. F. J. Restrepo (Columbia).

Committee No. V. :—Chairman, M. Antonio Huneeus (Chile) ; Vice-Chairman, Dr. Juan Carlos Blanco (Uruguay).

Committee No. VI. :—Chairman, M. Branting (Sweden) ; Vice-Chairman, Dr. A. De Aguero y Bethancourt (Cuba).

M. Tittoni having had to return to Rome a few days after the Assembly met, his place in the chair of No. II. Committee was occupied by the Vice-Chairman.

7. The Assembly likewise elected six general Vice-Presidents, *viz.* :—

Viscount Ishii (Japan). M. E. Benes (Czecho-Slovakia).

Jonkheer van Karnebeek (Netherlands). Sir George Foster (Canada).

M. H. Pueyrredon (Argentina). M. R. Octavio (Brazil).

M. Motta, as President of the Swiss Federation, was also elected an Honorary President.

The regular and honorary Presidents, the six general Vice-Presidents, and the six Chairmen of Committees composed the General Committee of the Assembly.

8. Having disposed of these formalities, the Assembly settled down to a general debate on Item No. 6 of its programme, the General Report on the work of the Council. The speeches wandered at large over the whole field of the Report, and the debate was not finished till 20th November.

9. The Assembly sessions were public. As regards the Committees, it was decided, after a certain amount of discussion, that the public should not ordinarily be admitted, but that minutes should be kept of the Committee's proceedings, which should be published as soon as possible, and should be at any time accessible to any delegate to the Assembly. (*See* Appendix II., Resolution No. 1.) Committee No. VI. held some public meetings.

Matters dealt with by Committee No. I.

(A) *Rules of Procedure* (*Item 7*).

10. The Committee appointed a sub-committee of seven delegates to deal with this question. The draft prepared by this sub-committee was submitted to the Assembly, with a Report from the main Committee, on 30th November,

The draft rules were discussed and approved with certain slight amendments, and the Rules of Procedure as adopted are printed in Appendix V. (Annex 1). A summary of the covering Report of the Committee is printed in Appendix III. (Annex 1).

11. The following are points of special interest :—

(1) The Assembly will ordinarily meet every year on the first Monday in September (a much better time than November-December as far as climate is concerned), and a special meeting can be held on the demand of a majority of the Members of the Council or of the League. As regards the regular yearly meetings, Viscount Ishii stated in the discussion that, in view of Japan's distance from the seat of the League, she would have preferred biennial intervals.

(2) The budget for the ensuing fiscal year and the accounts for the preceding one must be submitted annually for the approval of the Assembly, which will consider them after they have been examined by a special Committee. The Assembly, through this Committee, will carry out all the duties of financial supervision which normally belong to a Parliamentary body.

This proposition, which rests on the authority of the Report of Committee No. I., but is not fully embodied in the rules, recognises the primary authority of the Assembly in matters of finance.

(3) Rule 16 (paras. 2, 4 and 5) resulted from a consideration by the sub-committee of the question of the use of Spanish as an official language, which was desired by the Spanish-American Republics and Spain. The sub-committee considered that the admission of Spanish as a third official language would open the way to other claims, but that there was no objection to delegates speaking in any language (if they provided for their interpretation into English and French), or to the circulation of documents by the Secretariat in any language outside French and English at the expense of the Delegation which might request such action.

(B) *Amendments to the Covenant (Item 8).*

12. Certain amendments had been proposed by the Danish, Norwegian and Swedish Governments, which would provide *inter alia* that Conciliation Committees should be set up, under Articles XII. and XV. of the Covenant, to investigate disputes between nations which are likely to lead to a rupture, but which are not submitted to arbitration ; also that the four non-permanent Members of the Council of the League should be elected yearly by the Assembly ; and that the Council might exempt from the obligation of non-intercourse with a covenant-breaker, imposed by Article XVI., any States for whom it might entail serious danger.

In the Committee, M. Viviani (France) opposed the amendments on the principle that the first Assembly should take no action which might appear to reverse the decisions embodied in the Treaty of Versailles. Viscount Ishii (Japan) and Mr. Balfour also opposed them, and the Committee decided by 20 votes to 8 that they should not be considered ; the minority was composed of Argentina, Cuba, the Netherlands, Panama and Siam, as well as the three Scandinavian States. The Committee, however, subsequently accepted a proposal made by the Netherlands delegate, that the Council should be requested to appoint a special Committee to study the proposed amendments and report, and that the Council should then bring the matter before the Assembly at its next session.

13. The Assembly, at its meeting of 2nd December, accepted this conclusion, with the addition, suggested by M. Costa (Portugal), that any other project of amendment made by any Member of the League should also be referred to the special Committee if submitted within a period to be fixed by the Council (*see* Appendix II., Resolution No. 10). The Council has fixed 31st March 1921 as the last date for the receipt of proposals.

14. This solution was regarded as unsatisfactory by the Argentine Delegation, which was contemplating the submission to the Assembly of a motion proposing various ambitious amendments to the Covenant, including a scheme for the automatic admission to the League of all States recognised by the Community of Nations which are not unwilling to join it. As there

was no prospect of getting this motion adopted forthwith, the Argentine Delegation thereupon withdrew from Geneva. In a letter announcing this step, which was read at the Assembly's meeting of 6th December, they explained that they considered that amendments of the character which they proposed should be taken up at once as vital to the League, and that in view of the Assembly's decision that amendments of the Covenant should not be considered at its present session, they considered their mission at an end. This attitude gave rise in some outside quarters to the misapprehension that Argentine was withdrawing from the League. This was, of course, not the case ; she would have to give two years' notice for that (Article I. of the Covenant).

15. Notwithstanding the withdrawal of the Argentine Delegation, their motion (the principles of which the Chilean Delegation supported) was regarded as still in existence. There was also a Canadian proposal to strike out Article X. of the Covenant, which guarantees the territorial integrity and political independence of Member-States against external aggression. Both motions were referred to the special Committee on Amendments to the Covenant (*see* Appendix II., Resolution No. 11).

(C) *Relations between, and respective competence of, the Council and the Assembly (Item 9).*

16. The Committee appointed M. Viviani (France) and Mr. Rowell (Canada) *rapporteurs* on this subject. Their Report is printed in Appendix III. (Annex 2). Like Mr. Balfour, whose previous report to the Council on the subject was laid before the Assembly, the *rapporteurs* deprecated any attempt to stereotype the relations of the two organs of the League. They held that the two bodies are independent, and that where certain powers have been expressly assigned by the Covenant to the Council, the Assembly has no right of intervention, and *vice versa*. Where there is no discrimination, *i.e.*, if mention is made of both bodies (as in Articles III. and IV.), or only of the League of Nations, both Council and Assembly may be looked on as having concurrent jurisdiction. The Report also observes that certain matters referred to in the Covenant (*e.g.*, in Article XXIII.), are not within the full competence of the organs of the League, but require the concurrence of the Governments concerned in the form of International Conventions (*see* para. VIII. of the Report).

17. The Report was adopted by the Committee, and was debated in the Assembly on 6th December. In this debate the following were the chief points of interest :—

(1) M. Spalaikovitch (Serb-Croat-Slovene State) proposed that, among the powers to be mentioned as appertaining to the Council, a reference should be made to that of adding to the number of (*a*) permanent and (*b*) elected Members of the Council, subject to the approval of a majority of the Assembly (Article IV. of the Covenant). The inclusion of a reference to Article IV. of the Covenant was agreed to.

(2) On the proposal of Lord Robert Cecil it was decided to add a passage to the Report [para. X., clause (*a*)] to the effect that the Council and the Assembly were each of them competent to discuss and investigate any matter which was within the general competence of the League.

(3) Sir William Meyer drew attention to the omission from the Committee's Report of any mention of the Assembly's prerogative in matters of finance, and said that he presumed that this was regarded as sufficiently covered by the Report of the Committee on the Rules of Procedure [*see* para. 11 (2) above]. It was agreed that this was so.

(4) Sir William Meyer, supported by Sir Ali Imam, then proposed that if a matter was constitutionally within the full competence of the Council, but had been referred by the Council to the Assembly, the latter should be competent to suggest, for the consideration of the Council, any amendments to the Council's proposals that it might think desirable. Such a case arose later on the question of Mandates (*see* para. 144 *infra*). We did not press this to a division as it was agreed by Mr. Rowell that the course indicated should be adopted in practice.

(5) M. Politis (Greece) made two proposals : firstly, that when the Assembly was in session the Council should not deal with any matter within the competence of both bodies without previous reference to the Assembly ; and secondly that the Assembly (except during its sessions) should have no power to reverse or modify a decision which falls within the competence of the Council, *i.e.*, the general competence of the Council, and not merely its "exclusive" competence as provided in para. X., clause (*b*), of the Committee's Report. The object was apparently to regulate the overlapping jurisdiction of the two bodies by making the Assembly supreme during its sessions, and the Council at all other times, in matters lying within the competence of both. The first of these proposals was withdrawn, while as regards the second Mr. Doherty (Canada) pointed out that this would now have the effect of barring the Assembly from ever discussing any matter which the Council was competent to deal with, including matters in which the Covenant gave concurrent jurisdiction to both organs. In the end the question of para. X., clause (*b*) of the Report was referred back to the Committee, and at the next day's sitting it was decided to omit the whole clause. As will be seen by reference to the Report, clause (*b*) adds nothing to the principle already expressed in clause (*a*).

Subject to the modifications indicated above the Committee's Report was adopted (Appendix II., Resolution No. 13).

(D) *The method of selecting the four Members of the League to be non-permanently represented on the Council, and the first appointment of four such Members (Item 10).*

18. This matter was referred by the Committee to a sub-committee consisting of :—

Mr. Wellington Koo (China), Chairman.	Sir Ali Imam (India).
M. Usteri (Switzerland).	M. Politch (Serb-Croat-Slovene State).
M. Aguero (Cuba).	
M. Palacios (Spain).	M. Alvear (Argentine).
M. Munch (Denmark).	M. Struycken (Netherlands).

There were considerable differences of opinion in the sub-committee and these were reflected in the Report of the full Committee. This Report is printed in Appendix III. (Annex 3).

19. The proposals carried in the Committee—some of them by a very narrow majority—were as follows :—

(*a*) The mandates of Belgium, Brazil, Greece and Spain, which had been provisionally named in the Covenant as Members of the Council pending an election by the Assembly, were to expire on 31st December 1920.

(*b*) The appointment of States should be for two years ; so that every year the Assembly would elect two States, by a separate and secret ballot for each. The two-year period had been suggested by Sir Ali Imam, and was carried by 14 votes to 13.

(*c*) On the present occasion, four States were to be thus elected, but two of these, to be selected by lot, were to hold office for a year only.

(*d*) The mandates of elected States were to date from the 1st January of the year following their election by the Assembly.

(*e*) The right of re-electing retiring States was to be subject to the condition that no State should hold office on the Council for more than four years at a time, and that outgoing States should not be eligible for further election till the lapse of a further period of four years.

(*f*) It was proposed by Mr. Wellington Koo that, at the coming election, three of the four nominees should be elected from European and American States, and one from Asia and the remaining parts of the world. Sir Ali Imam had supported this proposal, illustrating its desirability by the over-representation of Europe on the Governing Body of the International Labour Office. The proposal was carried in the Committee by 13 votes to 12.

(*g*) These provisions were to be regarded as matters of procedure within the meaning of Article V., para. 2, of the Covenant, so that they might be decided by a majority of the Assembly.

20. The discussion of these proposals in the Assembly on 11th December evoked differences of opinion on what may be called constitutional points. It was held by several delegates that—

(*i*) The matters dealt with covered important questions of principle and could not be relegated to "procedure."

(*ii*) The method of election, &c., proposed, limited the powers of future Assemblies and seemed to that extent incompatible with the provisions of Article IV. of the Covenant, which gave each Assembly power to elect "in its discretion" (*librement* in the French version); the proposal would therefore involve an amendment of the Covenant.

Mr. Balfour who, as chairman of Committee No. I., had presented its report, was evidently in personal agreement with these critics. Finally, as there seemed no possibility of attaining general agreement on the proposals as they stood, he made a very ingenious proposal which evoked general assent. It took the form of a Resolution and of a Recommendation (for the adoption of a Recommendation, unanimity is not considered to be requisite). The Resolution, reproduced in Appendix II. (Resolution No. 22), was to the effect that the four Members should be elected in 1920 for one year only, commencing 1st January 1921, and that the various proposals considered by Committee No. I. should be passed on to the special Committee which is to be constituted by the Council for considering amendments to the Covenant, so that the matter may come before the Assembly at its next session.

The Recommendation stated that it was desirable that in the forthcoming election for 1921 delegates should vote so as to secure the geographical distribution desired by Mr. Wellington Koo. This Recommendation was carried by 27 votes to 4.

21. On 15th December an election was held in accordance with the Resolution, separate ballots being taken for each place. 39 States took part in the voting. For the first place Spain was elected with 35 votes. For the second place Brazil was elected with 33 votes. On the first ballot for the third place no State had an absolute majority (which the procedure adopted required), but China led with 19 (*i.e.*, only one short of a majority) and Belgium followed with 16 votes: on the second ballot, however, (between the two highest on the list) Belgium got a clear majority of 24. For the fourth place China received a majority (21 votes) on the first ballot.

Matters dealt with by Committee No. II. (Technical Questions).

22. These questions, 13 in all (*see* the list in para. 4 above) were referred to one Grand Committee (No. II.) which in view of their complexity and number had a heavy task imposed upon it.

We deal with these 13 subjects, not in the order in which they appear on the agenda, but in that in which (when in several cases subsequently grouped together) they were reported to the Assembly.

23. At the opening meeting M. Tittoni made a long statement of his personal views as to the functions of the League in the sphere of the questions referred to the Committee.

It is desirable to summarise this statement in order to explain much of what occurred in the subsequent proceedings of the Committee. He said that the League is called upon to perform a number of duties of an international character and of a technical order—such as those dealing with health, transit and communications, economic and financial questions. It is specially in regard to these questions that States may now be more disposed to renounce the individualistic point of view and to act in the general interest, since the results are more immediate. He instanced the International Labour Office as having increased the credit of the League in this direction. M. Tittoni then went through the agenda of the Committee, and with regard to the economic and financial duties of the League said that these might be grouped in two categories: those specially mentioned in the Covenant and in the Treaties of Peace, and those which the spirit of the Covenant, or circumstances, may suggest.

The League of Nations (he continued) had already organised the Financial Conference of Brussels. This Conference had adopted a resolution, among others, to convene a further Economic and Financial Conference, the main duty of which should be to create a permanent Economic and Financial Organisation. Meanwhile the Council, at its meeting at Brussels, had decided to establish a provisional Economic and Financial Committee, to pave the way for the permanent body and to consider practical means of carrying into effect the recommendations of the Brussels Conference, and give an opinion on such economic and financial questions as might arise. Among the latter was the question of raw materials and discrimination in prices ; the Council had recognised the importance of this question and its urgency, and had recommended it for immediate examination by the Economic and Financial Organisation of the League.

Mr. Rowell (Canada) asked that it should be recorded in the minutes that he did not agree with certain points of view expressed by the Chairman. Mr. Rowell's views on these points were expressed in the course of the debate in the Assembly on the General Report on the work of the Council, during which he challenged the propriety of restricting the liberty of States in respect of their raw material. (At subsequent meetings of No. II. Committee Canada was represented by Sir George Foster.)

Rapporteurs on each of the ten items originally on the agenda were appointed as follows :—

No. of Question on Assembly's Agenda.	
(11)	Relations between special technical organisations on the one hand and the Council and Assembly of the League on the other : M. Tittoni (Italy).
(12)	Establishment of a permanent Health Organisation (in accordance with Article XXIII. (*f*) of the Covenant) : Mr. G. N. Barnes (Great Britain).
(13)	The position in regard to typhus and other infectious diseases in Poland and the measures to be taken to combat them and prevent their spread : Dr. Fernando Perez (Argentina).
(14)	Supervision of the execution of agreements with regard to the traffic in women and children (in accordance with Article XXIII. of the Covenant) : Professor Thomas Jonnesco (Roumania).
(15)	General supervision over the execution of agreements with regard to the traffic in opium and other dangerous drugs (in accordance with Article XXIII. of the Covenant and at the request of the Government of the Netherlands) : Sir W. S. Meyer (India).
(16)	The establishment of a permanent organisation to deal with communications and transit questions falling within the sphere of the League (in accordance with Article XXIII. (*e*) of the Covenant and under the Treaty of Versailles and other Peace Treaties) : Jonkheer Loudon (Netherlands).
(17)	Tribunal for the settlement of differences referred to in Articles 336, 337, 376, and 386 of the Treaty of Versailles and the corresponding articles of other Treaties : Jonkheer Loudon (Netherlands).
(18)	Passports for members of the Secretariat : M. Politch (Serb-Croat-Slovene State).
(19)	Economic and Financial Organisation (with reference to the Report of the Brussels Conference and Article XXIII. (*e*) of the Covenant) : M. Ador (Switzerland).
(20)	Claim of India to be represented on the Governing Body of the International Labour Office : M. Lafontaine (Belgium).

Typhus (*Item 13*).

25. The first meeting in regard to typhus in Poland was adjourned because the Polish Delegate (M. Doermann) was not present, and also to enable the Committee to hear the Report of a Commission of Investigation which had

been despatched by the Council of the League to Poland with a view to reporting to the Assembly on its return. This Commission, consisting of Dr. Madsen, Director of the Serum Institute, Copenhagen ; Dr. Pottevin, Deputy Director, *Office International d'Hygiene Publique* (Paris) ; and Dr. Norman White, Chief Medical Commissioner of the Typhus Commission of the League of Nations—assisted by Dr. Rachman, Director of the Central State Epidemiological Institute, Warsaw—was heard at two public meetings of a sub-committee consisting of any member of the full Committee who wished to be present. The Report of the Commission is printed in Appendix V. (Annex 2).

26. Sir George Foster submitted the Report of the sub-committee (*see* Appendix III. (Annex 4) to the full Committee, together with a draft Resolution proposing that an urgent and immediate appeal should be made by the Assembly for adequate funds for prosecuting an effective campaign against epidemic disease, including typhus and cholera, in Eastern Europe, beginning with Poland as a centre ; and that the co-operation of the International Committee of the Red Cross and of the League of Red Cross Societies should be sought in this connection. Sir George Foster laid stress on the inadequate response as yet obtained to the appeal made to the various Governments, and to the fact that such sums as had been offered were sometimes hedged by conditions as to other States subscribing. Sir H. Llewellyn Smith, therefore (as temporary substitute for Mr. Barnes, who was the British representative on the Committee) moved and carried an addition to the draft Resolution to the effect that, pending response to the appeal proposed, an immediate beginning should be made with the campaign to the extent that the funds already promised permitted. He indicated that Great Britain would probably withdraw the condition she had previously attached to her offer of 50,000*l.*, *viz.*, that three other countries should subscribe a like amount, and M. Hanotaux said that the French Government would probably also withdraw a like reservation which they had made.

27. In the course of discussion, proposals were made by the delegates of Cuba and Belgium to give a big loan or grant (it would come to the same thing) to Poland for typhus expenditure, the funds to be met by the League, but the general feeling was that this was not a matter in which League funds, as such, could properly be employed, and the speakers did not press their view to a vote.

28. The full Assembly at its sitting of 7th December discussed the Resolution submitted by Sir George Foster urging an immediate appeal for further funds, and that a beginning should be made as soon as possible with the money already available. This was passed, with an addition suggested by Dr. Nansen (Norway) that a special Committee of three should be appointed by the Assembly to examine further the question of funds and consider how their collection could be promoted. In the course of the debate His Highness the Maharaja Jam Saheb of Nawanager made the speech which is printed in Appendix IV., Annex 1, and while pointing out that the epidemic did not threaten India, said that he hoped private subscriptions would be obtained from there and that he himself would put the matter before the Chamber of Princes.

29. Mr. Balfour announced the withdrawal of the condition previously attached to Great Britain's contribution of 50,000*l.*, and referred to in para. 26. The representatives of various States which had already promised to subscribe to the fund, *e.g.*, Spain, Greece and Persia, proclaimed their good deeds, and Mr. Wellington Koo (China) announced that his Government would now subscribe 2,000*l.*

30. As the Resolution puts the matter on a purely voluntary footing, India retains perfect liberty not to subscribe, in view of the reasons stated by the Government of India in their telegram of 12th November 1920, which you communicated to the Indian Delegation, *viz.*, that the partial failure of the monsoon makes it necessary to conserve all their financial resources.

It has, however, been suggested to you by Sir William Meyer, on behalf of the Indian Delegation, that it might now be expedient for the Government of India to make a small donation, which need not exceed, say, 3,000*l.*

Technical Organisations (Items 11, 12, 16, 17, and 19).

31. A combined Report was ultimately made by the Committee to the Assembly on Items Nos. 11, 12, 16, and 19 of its Agenda, *i.e.*, on the general question of the relations of technical organisations to be set up by the League to its two principal organs, and on the separate questions of setting up such organisations to deal with matters of Health, Communications and Transit, and Economic and Financial questions : the subject of the settlement of certain disputes (Item No. 17) was also included in this Report.

M. Hanotaux (France) was at a later stage in the Committee's proceedings appointed general *rapporteur* for this group of subjects, being assisted by the special *rapporteurs* originally appointed for each item. His Report (which was the outcome of prolonged discussions in Committee) will be found in Appendix III. (Annex 5) in the shape in which it was submitted to the Assembly.

Relations of Technical Organisations to the Council and Assembly (Item 11).

32. The Resolution on this subject as it appears in M. Hanotaux' Report was passed without much difficulty by the Committee.

Economic and Financial Organisation (Item No. 19).

33. The discussion in the Committee on the proposed setting up of an Economic and Financial Organisation commenced at the third meeting on 22nd November and was not concluded till the sixth meeting on 29th November.

The only matters referred by the Assembly to the Committee were (*i*) a proposal made by the Council in a Resolution dated 27th October 1920 to summon during 1921 a general Economic and Financial Conference with a view to the organisation of a Standing Economic and Financial Committee ; and (*ii*) certain action already taken by the Council, under a Resolution of the same date, to form a limited provisional Committee on economic and financial questions to advise the Council pending the creation of the definite organisation contemplated.

34. The discussion on this limited reference commenced with an attempt made by MM. Tittoni (Italy) and Ador (Switzerland) to pass through the Committee, at the end of a lengthy sitting, a series of Resolutions, put forward by M. Ador, which would have committed it to lending definite support to a proposal previously made by M. Tittoni elsewhere, that measures should be taken, under cover of Article XXIII. of the Covenant, for examination of steps for controlling the distribution of raw material, *i.e.*, for limiting the ability of States which produce such raw materials to fix their own prices for it, and preventing them from showing favouritism to particular countries. M. Tittoni's idea was that advantages created by special possession of valuable raw material should, as far as possible, be neutralised for the benefit of the whole world. This appeared to be primarily aimed at prices which had been charged by Great Britain for exported coal, but as a general proposition it would, of course, affect India also, *e.g.*, in respect of her jute and raw cotton.

Sir William Meyer protested against mixing up in the draft Resolutions matters which had been clearly recommended by the Financial Conference at Brussels—the peg on which MM. Tittoni and Ador had hung their proposals—and Resolutions which were merely disputable inferences from the Brussels proceedings or ideas of M. Ador's own, and it was decided to adjourn discussion so that in the meantime M. Ador might separate his Resolutions in accordance with this criterion.

This meeting of the Committee was the last at which M. Tittoni was present.

35. At the next meeting M. Ador produced an entirely revised set of draft Resolutions, three in number, which were under discussion at this and subsequent meetings. The first of these merely endorsed the proposal of the Council regarding a general Economic and Financial Conference referred to in para. 33 (*see* first Resolution as printed in M. Hanotaux' Report*).

The second Resolution was on the face of it innocent. It merely asked the Assembly to say that, having noted the Resolution taken by the Council at its meeting at Brussels on 27th October, and completely sharing its opinions, it

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* Page 69 *infra*.

considered it indispensable that the Economic and Financial Committee (by natural inference the provisional one referred to in para. 33) should continue its work without delay in the manner indicated by the Council.

But from an *expose* given by M. Ador, it turned out that what he had in view was not the Council's Resolution in regard to the appointment of a provisional Committee, but quite another one of the same date, not communicated to the Assembly, which read as follows :—

" The Council has fully considered the difficulties experienced by numerous countries in assuring the import of raw materials essential to their welfare and even to their existence, and has requested the Economic Section of the Economic and Financial Committee to study :—

(*a*) the extent and nature of their requirements ;

(*b*) the causes of these difficulties (other than those arising from the lack of credit or fluctuation in the rate of exchange, which have already been considered by the Brussels Conference) ; the effects of the existence of monopolies will be very specially considered.

" The Council invites the Committee to submit to it at the earliest possible moment a report on the results of its enquiry—a report which is indispensable for the further deliberations of the International Economic and Financial Conference."

And it was this action which the Committee, and through it the Assembly, were asked emphatically to support.

36. Sir William Meyer took exception to this on the following grounds :—

(1) The Resolution of the Council, which M. Ador had referred to, had not been communicated to the Assembly or the Committee.

(2) M. Ador contended that the matter was covered by Article XXIII. (*e*) of the Covenant, but this contention was not sustainable. The words " equitable treatment for commerce " in this article had, from the context, obvious reference to freedom of communications and transit, and to the interests of the devastated regions.

(3) If, as was contended, Article XXIII. (*e*) could be specially applied to raw materials, why should it not also be applied to tariffs, which likewise limit full freedom of trade ? Nobody, however, would propose to limit the autonomy of States in regard to their tariffs in the way in which M. Tittoni, who had inspired M. Ador, evidently desired to limit the sovereignty of States in regard to their raw material, and to require those who possessed such material to consent to rationing.

(4) In the case of India, she received some compensation from nature for a climate unfavourable to productive energy in the existence of her jute monopoly, but she had exercised this with great moderation. India would have no fear of a general enquiry in regard to the world's raw material situation, but she could not assent to action which might result in interference with her fiscal policy.

Sir William Meyer was supported by the Dominions representatives, Sir George Foster asking emphatically whether it was really supposed that the United States could be dictated to in regard to its cotton.

37. M. Ador, on the suggestion of the Australian representative and Sir William Meyer, consented to cut out the words " completely sharing its opinions " which would have committed the Assembly to full participation in the Council's views.

Mr. Barnes further suggested that the draft Resolution should be amended by words which would merely connect it with the action of the Council in regard to the establishment of the Provisional Economic and Financial Committee. M. Ador at first expressed his willingness to accept this, but later on, when he found that some speeches were being made which were favourable to his original proposal, he withdrew this assent and went back to his intention of referring to the special Resolution of the Council in regard to raw material. His second Resolution was then carried by a large majority.

38. With a view to avoiding controversial discussion later on in the Assembly on the question of raw material (in which the British Empire might

have been opposed by France as well as Italy), private negotiations were undertaken with M. Ador to endeavour to persuade him to put his second Resolution in a form so non-committal as to eliminate dissent, and at the next meeting of the Committee (29th November) M. Hanotaux, who had shown himself quite friendly to us, moved, in order to avoid any misunderstanding that the following should be added to M. Ador's second Resolution passed at the previous meeting :—

" It is understood that the present Resolution has been passed as an interpretation of Annex I. (*a*) of the Report of Mr. Bourgeois to the Council, dated 27th October 1920."

Annex I. (*a*) of the Report in question is the Resolution of the Council setting up a provisional Committee. This rider to the Resolution was accepted by the Committee, and the matter was thus brought back to the position which Mr. Barnes had tried to obtain at the previous meeting and to which M. Ador had then objected.

39. At the same meeting M. Ador's third Resolution, which expressed agreement with the views set forth in the Council's note addresed to the various Governments with reference to the decisions of the Brussels Conference and insisted on the urgent necessity of national wealth being employed in a productive manner, was carried, while a further clause, which invited the various Governments to reduce their military expenditure as soon as possible, was passed on separately to Committee VI., which was dealing with the question of armaments.

Communications and Transit (Item 16).

40. The Resolution on this subject, in the form in which it was adopted by the Committee, will be found in M. Hanotaux' Report.* It was introduced in the Committee by Jonkheer Loudon (Netherlands), and was based, with some minor differences, on the Resolution of the Council of 19th May 1920.

Some discussion took place in Committee on para. 1 (3) of the draft Resolution regarding the making of special rules and regulations in arranging for subsequent meetings of the proposed Conference. In the original Council Resolution these rules and regulations required, in order to obtain validity, acceptance by all the representatives of the Members of the League represented on the Council, and by two-thirds of the other States. Under the Committee's Resolution, subsequently accepted by the Assembly, they are to be adopted by two-thirds of the representatives of the Members of the League, the requirement of unanimity on the part of Members represented on the Council being dispensed with. This was in accordance with the view expressed by Sir William Meyer, that, while the unanimous agreement of the States represented on the Council might be necessary in questions of high policy, it would be undesirable to introduce such a requirement in other matters.

41. Sir William Meyer likewise secured the insertion of provisions (1) that Geneva (where the League has office accommodation and establishments) should be the place of the Conference's meetings (subsequent to the first, which is to be held at Barcelona), unless the Council for special and exceptional reasons decide otherwise ; and (2) that the headquarters of the proposed Standing Communications Committee should also be at Geneva. The Committee also adopted a proposal made by M. Ferraris (Italy) that the Council should be responsible for convening subsequent meetings of the Conference.

These were the only amendments other than verbal changes made in the draft Resolution as introduced.

42. The paragraph in the Council's Resolution which dealt with the composition of the Standing Committee was held over and dealt with separately in the manner which we describe later on.

43. Mr. Barnes proposed to add to para. 1 (2) of the draft Resolution a clause inviting the Conference to " take such steps, if any, as it may think expedient to consult with representatives of any State which, though not a Member of the League of Nations, will be directly affected by any Conventions that may eventually be adopted." This clause was not incorporated in the draft Resolution, but was recorded in the minutes as a recomendation of the Committee.

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* Pages 70-71 *infra*.

Settlement of disputes regarding certain Waterways, etc., under Articles 336, 337, 376 and 386 of the Treaty of Versailles and corresponding Articles of other Treaties (Item 17).

44. In the Resolution adopted by the Committee on this subject (given in M. Hanotaux' Report*) the number of members of the Court of Arbitration, proposed in the Memorandum by the Secretary-General which was before the Committee, was reduced on the motion of Sir Hubert Llewellyn Smith (acting as substitute for Mr. Barnes) from five to three.

Health Organisation (Item 12).

45. The scheme covered by the Council's Resolution of 3rd August 1920 was considered by the Committee, and accepted by it with certain amendments (*see* M. Hanotaux' Report†). The following were the principal amendments introduced :—

(1) The functions of the Organisation under heading (*b*) are to confer and co-operate " with international Red Cross Societies and other similar Societies," instead of " with the League of Red Cross Societies." As was pointed out by the delegates of Persia and India, the clause as amended will include " similar Societies " in Muhammadan countries.

(2) The function of organising " missions in connection with matters of health at the request of the League of Nations " was limited, on Sir William Meyer's proposal, by the addition of the words " and with the concurrence of the countries affected."

(3) An amendment by M. Hanotaux fixed the meeting-place of the General Committee definitely at Paris.

(4) With regard to a clause in the Council's scheme that " the official languages of the International Health Section shall be French and English," Dr. Restrepo (Columbia) appealed to his British colleagues to agree to the omission of English, quoting the example of the Spanish-speaking delegates in the Assembly who had sacrificed their desire for Spanish as an official language of the League. Dr. Restrepo was not satisfied by a jocular suggestion that Latin should be adopted as a suitable language for the subject, and in the end it was decided to omit any reference to an official medical language as otiose.

(5) Mr. Barnes and M. Hanotaux secured an amendment providing for consultation, in relevant cases, with the Economic and Transit Organisations of the League, instead of with " technical trade experts " as proposed by the Council, in the framing of draft Conventions.

(6) Another amendment of M. Hanotaux, slightly modified (with his consent) by Sir William Meyer, provides for the submission of such draft Conventions by the Council of the League to the Governments concerned for signature, if they approve, by plenipotentiaries " without further examination." M. Hanotaux insisted on the last three words as necessary to avoid prolonged delays.

(7) The last two paragraphs under the head of " Conventions " in the Council's scheme were, on Mr. Barnes' proposal, omitted as superfluous ; these paragraphs related to action by the Standing Committee in the event of a representative on the General Committee failing to submit certain reports as to the measures taken in his country to carry out a Convention.

(8) Under the head of " Expenses," an amendment proposed by M. Hanotaux was adopted limiting the League audit of the expenditure of the *Office International d'Hygiene Publique* to sums provided by the League.

(9) The paragraph in the Council's scheme regarding the composition of the Standing Committee was held over for separate consideration.

Composition of Standing Committees on (a) *Communications and Transit,* (b) *Health.*

46. The Council's proposals as to the constitution of these Committees were in the following sense :—

(a) *Communications and Transit Committee.*

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* Pages 70-71 *infra.*

†Pages 71-74 *infra.*

This Committee should consist of one representative each of States which are permanently represented on the Council (*i.e.*, four in all), and of eight members selected in a manner to be determined by the Conference.

(b) *Health Committee.*

This should consist of (*a*) four members from the States permanently represented on the Council of the League of Nations ; (*b*) four members elected by the General Committee which represents all States (*see* M. Hanotaux' Report, page 69 *infra*) ; (*c*) the President of this General Committee ; (*d*) a representative of the League of Red Cross Societies ; and (*e*) a representative chosen by the Governing Body of the Labour Organisation as being closely concerned with health questions.

47. A proposal had been circulated by the Argentine Delegation that the representation on the Standing Committees of all the technical organisations should be distributed on a purely geographical basis, running to a total of 17 or 18 representatives. Sir William Meyer pointed out that the number of representatives thus proposed (to which Chile proposed to add five) would make the Committees unnecessarily large, and that rigid distribution between Continents would not be easy to carry out. He accordingly suggested that the Committees should be constituted in the manner proposed by the Council, except that the number of delegates on the Standing Health Committee who were to be elected by the General Committee should be eight instead of four, so as to give the same proportion of representatives of secondary States to those of the Great Powers as in the case of the Transit Committee ; and he also proposed that in selecting representatives other than those of the Great Powers, due regard should be had to geographical representation.

48. The Argentine proposal, in the absence of the Argentine delegate, was defended by Venezuela, but was rejected, and Resolutions as to the composition of the Committees were adopted by Committee No. II. in the following form :—

Standing Committee on Communications and Transit.

" This Committee shall consist of members nominated by those Members of the League which are permanently represented on the Council, in the proportion of one member by each of those Members of the League, and also of eight members, selected in a manner to be determined by the Conference, having regard, as far as possible, to technical interests and geographical representation."

This was slightly modified by the Assembly (*vide* para. 54 *infra*).

Standing Health Committee.

" The Standing Committee shall consist of delegates of the States permanetly represented on the Council of the League of Nations, five members elected by the General Committee) having regard to their scientific attainments and to geographical representation) ; the President of the General Committee ; a representative of the League of Red Cross Societies, and a representative chosen by the Governing Body of the Labour Conference."

Thus a provision as to geographical representation was inserted in each case.

49. As regards the Health Resolution, Sir William Meyer agreed to the number of representatives of secondary States being fixed at five instead of eight, in view of the general feeling that if their number were in excess of five, the Committee would be unduly large, as three special members had also to be included.

It may be added that Sir William was at first inclined to challenge the necessity of a special representative of the Labour Organisation, but withdrew his opposition on its being explained that there had been a *concordat* to this effect, to obviate independent action on Health questions by the Labour Office.

Expenditure on Technical Organisations.

50. The aggregate provisions in the orginal budget and in the supplementary estimates for the Economic and Financial, the Communciations and Transit and the Health Organisations were 2,070,000 gold francs. Sir William Meyer submitted a Resolution to Committee No. II. (which that Committee adopted) in

favour of reducing this to a collective maximum of 2,000,000 gold francs, and allowing no increase of expenditure beyond this total without the special and previous sanction of the Assembly, but giving the Council, for the year 1921, power of reappropriation between one head or sub-head and another : any sums unspent from the total allotment were to lapse to the general funds of the League. The object was to prevent the Secretatriat or the special organisations from plunging into expenditure which the Assembly might later on be obliged to pass as having been actually incurred.

This Resolution was passed on to Committee No. IV. which was dealing with the League's budget, but no action was ultimately taken upon it by that Committee, it being argued, when the budget Report came before the Assembly, that the requisite check had been independently provided (*vide* para. 110 *infra*).

Action of the Assembly on M. Hanotaux' Report on Technical Organisations.

51. At their meeting of the 8th December, the Assembly discussed the Report of M. Hanotaux embodying the proposed Resolutions of No. II. Committee in respect of the Assembly's Items 11, 12, 16, 17 and 19—covering the general relations of Technical Organisations to the Council and Assembly, and specific recommendations in regard to the Health, Communications and Transit, and Economic and Financial Organisations.

Mr. Rowell (Canada) attacked the policy of the Report, holding that the Resolutions there contained, envisaging constant Conferences and the setting up of expensive permanent organisations, were not only inexpedient in themselves from the point of view of expense, but were in disaccord with the provisions of Article XXIII. of the Covenant. He interpreted this Article as contemplating the establishment of international Conventions prior to action in the matters with which it deals. Mr. Rowell was supported by Senator Millen (Australia), while M. Hanotaux and M. Ador replied that the organisations were merely consultative bodies which did not affect the ultimate rights of the component States of the League or the control of the Assembly in matters of finance. Moreover, matters could not be put in train for Conventions without much preliminary spade-work and consultation.

It was finally decided, on the proposal of Lord Robert Cecil, that there should be an informal conference between Mr. Rowell and those who were with him, on the one side, and some of the members of Committee No. II. on the other.

52. This Conference, in which Lord Robert Cecil took part, and at which Sir William Meyer was present, was held that evening. It was felt desirable to abstain, as far as possible, from discussion of the exact interpretation of Article XXIII. of the Covenant, and that the real points in issue were (*a*) the expense and (*b*) the character of the organisations which the Council, and Committee No. II in agreement with the Council, proposed to set up.

As regards the former the Canadian delegates expressed themselves satisfied with the principle of the Resolution (referred to in para. 50) which had been adopted by Committee No. II. that afternoon.

53. On the other point it was finally agreed that—

(1) As regards both the Economic and Financial, and the Commiuncations and Tranist, Organisations, the terms " Permanent Organisation " and " Permanent " or " Standing Committee " should in all cases be replaced by " Advisory Committee."

(2) There should be no date specified for the meeting of the Economic and Financial Conference, which had previously been contemplated for 1921.

(3) The Resolutions regarding the Health Organisation need not be greatly modified.

54. At the Assembly meeting of 9th December proposals (1) and (2) above were put and accepted, and the Resolutions thus amended were unanimously carried, subject to the acceptance of an amendment proposed by the Chilean Delegation as regards the composition of the Advisory Committee for Transit. The composition recommended in M. Hanotaux's Report was four representatives of the Great Powers permanently represented on the Council, and eight representatives of other States selected with regard to technical interests and

geographical representation. The Chilean amendment was to strike out the specific number eight, and to substitute a provision that, including the representatives of the four Great Powers, the total number of the Committee should not exceed one-third of the Members of the League. The Resolution, as passed by the Assembly, regarding the composition of the Advisory Committee on Communications and Transit is accordingly as follows :—

" This Committee will be composed of members appointed by the Members of the League represented permanently on the Council, one representative for each of those members, together with members to be appointed as determined by the Conference, taking into account as far as possible technical interests and geographical representation. The total number of members of the Committee shall not exceed one-third of the Members of the League."

As things are at present, this does not make much difference, but if the League materially expands by the adhesion of fresh States, it will mean a further increase in the size of the Committee. On the other hand, it will temper more fully the *ex-officio* representation of the Great Powers.

55. In connection with the Resolution on the Economic and Financial Committee, there was some reference by M. Ador (Switzerland) and M. Schanzer (Italy) to the question of raw materials, but there was nothing to which objection could be taken, as it was admitted by the speakers that for the present the matter must be left in the hands of the provisional Economic Committee set up by the Council, and that Committee is not likely to raise thorny points.

56. The remaining portion of the General Report of Committee II. on Technical Organisations—that dealing with Public Health—was discussed on 10th December, and the Resolutions proposed were passed by the Assembly, subject to slight modifications, including the substitution of " Standing Committee " for " Permanent Committee."

Here also the Chilean Delegation had proposed an amendment of the same character as that mentioned in para. 54. But this was withdrawn, and the text of M. Hanotaux's Report and Resolutions, as previously amended, was declared finally carried (Appendix II., Resolutions Nos. 14—20, of the Assembly).

Special Technical Questions.

57. A collective Report was submitted to the Assembly by Committee No. II. on Items 14, 15, and 20 (traffic in women and children ; traffic in opium and other dangerous drugs ; and the claim of India to be represented, as a State of chief industrial importance, on the Governing Body of the International Labour Office). This Report was presented by M. Jonnesco as general *rapporteur* assisted by the special *rapporteurs* who had been appointed to deal with each of the separate items in Committee.

58. The first of these questions to be dealt with by the Committee was that of India's claim in regard to the Labour Office. M. Lafontaine (Belgium), in his Report to the Committee, took the ground that, as the question at issue was one for the decision of the Council under Article 393 of the Treaty of Versailles, the Assembly had no *locus standi* in the matter. Sir William Meyer gave an exposition of the reasons for which India claimed that the Governing Body of the Labour Organisation was not properly representative, and that her appeal had not been adequately considered by the Council, which had dealt with it on technical considerations and had refrained from giving a decision on the merits of the case. He recognised that the Assembly, and consequently its Committee, could not override the Council (for which reason he did not propose to move a formal Resolution in the Assembly), but he asked for consideration of the case on grounds of equity, and expressed the hope that, from this point of view, the result might be a suggestion to the Council to consider the matter further and to take steps to satisfy India's legitimate aspirations, either by putting her in the place of Denmark as substitute for the United States, or, preferably, by getting the Governing Body (which we regarded as illegitimately constituted and as discredited by the vote of censure passed on its composition at Washington) to resign office in time for a new body to be appointed for the Conference of 1921.

59. The Committee, however, passed the following Resolution :—

" In view of the terms of Article 393 of the Treaty of Versailles, which reserves for the Council of the League of Nations the right to decide on any

questions as to which are the Members of the International Labour Organisation of chief industrial importance who should figure on the Governing Body of the International Labour Office, the Committee is of opinion that the Assembly of the League of Nations is not competent to deal with India's claim."

Sir William Meyer thereupon took the only course still open (outside ventilating the matter once more in the Assembly itself when the Committee's Report came before it) by stating that India would now have to consider the question of opposing the growing expenditure of the Labour Organisation, and of asking for a reconsideration of the unjust position by which she is rated as a first-class Power for contribution to the League's expenses and denied this position when it comes to any privilege such as representation on the Labour Governing Body.

Opium and other dangerous drugs.

60. This question had been placed on the Agenda at the request of the Netherlands Government. Under Article XXIII. (*c*) of the Covenant the League is entrusted with the general supervision over the execution of agreements with regard to this matter. The question at issue was that of providing means for the discharge of such responsibility and of the transfer from the Netherlands Government of the functions vested in the latter by Articles 21 and 24 of the Hague Opium Convention.

Sir William Meyer had been appointed special *rapporteur* on the subject and circulated a preliminary Report which was subsequently presented to the Assembly, and is printed in Appendix III. (Annex 6). He had feared that efforts might be made to get the Committee to go beyond the business before it, namely, how best to carry out at the present stage the provisions of the Hague Convention, and had had some previous conversation with a Chinese representative, Mr. S. Tchéou-Wei, who was at the time rather in favour of asking for further restrictive measures in regard to opium. But when it was pointed out to Mr. Tchéou-Wei what great progress had been made by the provisions of the Convention, and that we ought to see that these provisions were made realities before getting on to something further, over which there might at present be acute difference of opinion, he accepted this point of view, and neither the Chinese nor any other delegate proposed to go outside the Convention limits.

61. In speaking on his preliminary Report in the Committee, Sir William Meyer pointed out two alternative ways in which the League could relieve the Netherlands Government of their duties under the Convention:—

(*a*) by simply passing on those duties to the Council and the Secretariat;

(*b*) by giving them the assistance of a special Advisory Committee, representing the States most interested in the question.

As *rapporteur*, he left this matter to the decision of the Committee, but indicated a personal preference for the latter alternative, and pointed out that India should be included as one of the States specially interested. He also observed that we had to face the difficulty that the United States and Germany were not yet Members of the League (although they had ratified the Hague Convention, the United States independently, and Germany through the Treaty of Versailles), and if these States would not consent to pass on to the League direct the information which they were bound to furnish, they could send it to the Netherlands Government, which would in turn transmit it.

62. Mr. Barnes then moved a Resolution (the terms of which he had previously discussed with Sir William Meyer), and after discussion in the Committee it was passed subject to certain amendments. The text of the Resolution as thus passed, and subsequently adopted without further amendment in the Assembly, will be found in Appendix II. (Resolution No. 28). It will be seen that it proposed *inter alia* that an Advisory Committee be appointed by the Council to include representatives of the countries chiefly concerned, in particular the Netherlands, Great Britain, France, India, Japan, China, Siam and Portugal. The last named country was specifically included as the result of a statement, which the Portuguese representative, M. de Andrade, presented to the Committee and which is printed in Appendix V. (Annex 3).

Traffic in Women and Children.

63. In this matter also general supervision over the execution of agreements in entrusted to the League by Article XXIII. (*c*) of the Covenant, and the question to be decided was that of the method by which the League should carry out its task.

M. Jonnesco was special, as well as general, *rapporteur* on this subject and produced draft Resolutions which required considerable re-shaping in Committee to make them practicable. In the end the Committee adopted the Resolution which is printed (as subsequently modified by the Assembly) in Appendix II. Resolution No. 27). It falls into two parts, the first dealing with the general question, and the second with the particular question of Armenian deportees, in regard to whom a special Commission of Enquiry is proposed.

As regards the general question, there is nothing in the Resolution, as adopted, which prejudices the maintenance (if so desired) of the decision adopted by India in 1914 not to be a party to the Convention of 1910.

Action of the Assembly on M. Jonnesco's Report on Items 14, 15 and 20 (Traffic in Women and Children, Opium, &c., and India's claim in regard to the Labour Office).

64. The debate on these items in the Assembly took place on 15th December.

Opium was taken first, and the Resolution submitted by the Committee was adopted without alteration (Appendix II., Resolution No. 28). The speech made by Sir William Meyer in presenting his special Report (Appendix III., Annex 6) is printed in Appendix IV. (Annex 2).

Mr. Wellington Koo (China) and Jonkheer Loudon (Netherlands) both spoke in favour of the Resolution, the former paying tribute to the enormous assistance which his country had obtained from Great Britain and India in dealing with the suppression of its opium consumption, and the latter mentioning that, in his view, in order to relieve the Netherlands Government of their obligations, it would be necessary to have a special protocol signed, since a slight modification of the existing Hague Convention was involved.

65. The debate on the traffic in women and children was made noteworthy by the first appearance of a lady speaker (Mlle. Forchhammer of Denmark) at the Assembly's tribune. The part of the Resolution on the subject which dealt with the question of Armenian deportees owed its origin to her, and she had grounded it on the provisions of Article 142 of the Treaty of Sèvres. Although the Treaty remains unratified, the Assembly adopted the Resolution (Appendix II., Resolution No. 27) with a modification extending the purview of the Commission of Enquiry to adjoining territories as well as to Armenia and Asia Minor. M. Zoka ed Dowleh (Persia) secured this modification.

66. Speeches were delivered in the Assembly by Sir William Meyer and Sir Ali Imam on the Report on India's claim to be represented as a State of chief industrial importance on the Governing Body of the International Labour Office. These speeches are given in Appendix IV. At the close of the debate Mr. Barnes observed that the claim of India had not been considered at Washington on its merits because India had herself refused to take part in the election of representatives of States outside the principal Powers to the Governing Body of the Organisation. But the Washington Conference had no power to decide India's claim to representation as of right, and refusal to stand for election was motived by the fact that in India's view the proceedings in regard to the constitution of that body were irregular.

Passports for members of the Secretariat of the League.

67. This question had been raised under the fourth paragraph of Article VII. of the Covenant. When first discussed in Committee No. II. it had been referred to a sub-committee of four persons, including M. Hanotaux (France). This sub-committee produced a Report (*see* Appendix III., Annex 7) which is self-explanatory and was adopted by the Committee, and, on 15th December, by the Assembly (Appendix II., Resolution No. 29).

Supplementary Miscellaneous Subjects, viz.,

(A) *Intervention on behalf of Children in Countries affected by the War.*

(B) *An "International Language."*

(C) *"Organisation of Intellectual Labour."*

68. These three subjects were referred to Committee No. II. in the course of the Assembly's proceedings, but, except in the case of the first, the Committee had not time to sift them adequately. They were discussed in the Assembly on the 18th December, the last day of the session.

(A) *Children in Countries affected by the War.*

69. The proposal referred to the Committee originated with the Swiss Delegation, and was in favour of the appointment by the Council of a High Commissioner to consider the best means of furthering and assisting all charitable work undertaken on behalf of such children.

Doubts were expressed in Committee on the value of this suggestion : it was held by the opponents of the idea that the appointment of a High Commissioner would give the matter an official aspect which would tend to discourage private subscriptions, and that it was believed that Mr. Hoover, who was specially interesting himself in collecting money in America, was not in favour of it. Objection was also taken to the prominent position assigned in M. Ador's explanatory statement to the International Committee of the Red Cross (of which he is the President), as opposed to the apparently more powerful League of Red Cross Societies.

Finally, after private discussion with a local representative of Mr. Hoover, the following Resolution was submitted to the Assembly :—

"The Assembly, being desirous of giving its support to the urgent work of rescuing children in the countries affected by the war, invites the Council to consider as soon as possible the means by which the moral authority of the League of Nations might best assist this work which is being done in the cause of humanity."

This was carried (Appendix II., Resolution No. 35).

(B) *An "International Language."*

70. A proposal presented by certain Delegations in favour of encouraging the study of Esperanto as an international language was rejected.

(C) *"Organisation of Intellectual Labour."*

71. A nebulous Resolution was proposed by the delegates of Belgium, Italy and Rumania, asking the Council to assist in the development of international co-operation in the domain of intellectual activity, and to present to the Assembly during its next session a detailed report on "the educational influence which it is their duty to exert with a view to developing a liberal spirit of goodwill and world-wide co-operation, and to report on the advisability of giving them shape in a technical organism attached to the League of Nations." The analogy invoked by M. Lafontaine (Belgium), who presented the Resolution, was the Labour Organisation. Mr. Barnes opposed on the ground that no attempt should be made to discriminate between manual and intellectual labour, that we had quite enough technical organisations at present, and that if and when intellectual labour is to be assisted, the Labour Office could take the matter up. Mr. Barnes was supported on a division by the other Empire Delegations, but the Resolution was carried.

Work of Committee No. III.

72. This was confined to questions relating to a *Permanent Court of International Justice to be established at The Hague.* (*Item 21 of the Assembly's Agenda.*)

The draft of a statute constituting the Court had been prepared by the Council in accordance with Article XIV. of the Covenant, on the advice of a committee of 10 jurists representing Great Britain (Lord Phillimore), the United States of America (Mr. Elihu Root), France (M. de Lapradelle), Italy (M. Ricci Busatti), Japan (M. Adatci), Spain (M. Altamira), Belgium (Baron Descamps), Brazil (M. Fernandes), the Netherlands (Dr. Loder), and Norway (Dr. Hagerup).

This Advisory Committee had prepared a draft, which, after certain important amendments, had been adopted by the Council at its Brussels meeting in October, and on being submitted to the Assembly, was remitted for consideration to Committee No. III.

For the examination of points of detail, Committee No. III. appointed a sub-committee consisting of 10 members, the first five of whom had been members of the Advisory Committee of Jurists, *viz.* :—

M. Adatci (Japan),	Mr. Doherty (Canada),
Dr. Hagerup (Norway),	Sir Cecil Hurst (Great Britain),
M. Fernandes (Brazil),	M. Fromageot (France),
M. Ricci Busatti (Italy),	M. Politis (Greece),
Dr. Loder (Netherlands),	Dr. Max Huber (Switzerland).

73. As regards matters of principle, the following decisions were arrived at by the Committee :—

The Question of Compulsory Jurisdiction.—The right of compulsory jurisdiction was contemplated by the advisory committee of jurists in certain classes of cases. Article 34 of their draft contained the words :—

" Between States which are Members of the League of Nations the Court shall have jurisdiction (and this without any special Convention giving it jurisdiction) to hear and determine cases . . . . "

The Council's amendments to Articles 33 and 34 of the jurists' draft were as follows :—

Article 33. " The jurisdiction of the Court is defined by Articles XII., XIII., and XIV. of the Covenant."

Article 34. " . . . . The Court shall have jurisdiction (and this without any special agreement giving it jurisdiction) to hear and determine disputes, the settlement of which is by Treaties in force entrusted to it or to the tribunal instituted by the League of Nations."

74. Opinion was divided within the Committee as to which solution should be adopted. The predominant feeling was in favour of the system of compulsory jurisdiction, but it was generally admitted that reasons of practical policy, and the necessity of obtaining unanimity in the Assembly, were in favour of adopting the solution proposed by the Council.

For the Council's draft Article 33 the sub-committee proposed, however, to substitute (Article 36) : " The jurisdiction of the Court comprises all cases which the parties refer to it and all matters specially provided for in Treaties and Conventions in force." They were thus prepared to adopt the Council's view of the limits of the Court's jurisdiction under a different mode of expression.

75. This formula was accepted by the full Committee subject to the addition of the last three paragraphs of Article 36 as it now stands in the Statute. The additional paragraphs, which were moved by the Brazilian delegate, are as follows :—

" The Members of the League of Nations and the States mentioned in the Annex to the Covenant may, either when signing or ratifying the protocol to which the present Statute is adjoined, or at a later moment, declare that they recognise as compulsory, *ipso facto* and without special agreement, in relation to any other Member or State accepting the same obligation, the jurisdiction of the Court in all or any of the classes of legal disputes concerning :—

" (*a*) The interpretation of a Treaty.

" (*b*) Any question of International Law.

" (*c*) The existence of any fact which, if established, would constitute a breach of an international obligation.

" (*d*) The nature or extent of the reparation to be made for the breach of an international obligation.

" The declaration referred to above may be made unconditionally or on condition of reciprocity on the part of several or certain Members or States, or for a certain time.

" In the event of a dispute as to whether the Court has jurisdiction, the matter shall be settled by the decision of the Court."

76. *Continuance of the Hague Court of Arbitration.*—A proposal made by the Argentine Delegation to suppress the Permanent Court of Arbitration at the Hague was rejected. It was thought that the Court of Arbitration would still play a part in certain international disputes more easily settled by arbitral decisions than by an award based on strict rules of law. It was further felt that it was not possible to ignore a Convention signed by several States which were not Members of the League.

77. *Geographical representation.*—A proposal of the Columbian Delegation to the effect that judges should be distributed between the different Continents in certain proportions was not adopted by the Committee, who felt that such a regulation would be too rigid and that it was unnecessary in view of the provisions for the nomination of candidates actually contained in the Statute.

78. *Representation on the Electing Panel of countries not represented on the Court of Arbitration.*—It will be seen from Article 4 of the Statute that judges are to be elected from a list of persons nominated for the most part by the " national groups " provided for in the Court of Arbitration. Certain Members of the League, including India, were not separately parties to the Hague Convention setting up the Court of Arbitration, and, therefore, have no national groups in that Court. The Committee accordingly decided that countries not represented on the Court of Arbitration shall be allowed to nominate candidates through national groups consisting of persons appointed for this purpose by their Governments.

The maximum number of candidates who may be nominated by each national group was increased by the Committee from two to four (not more than two to be of the nationality of the nominating group).

79. *Positions incompatible with that of Judge of the Court.*—The Committee settled the text of Article 16 of the Statute thus :—" The ordinary members of the Court may not exercise any political or administrative function." This disability applies to judges, but not to deputy judges except when the latter are performing their duties on the Court. Similarly, deputy judges, in cases in which they do not sit, may act as agents, counsel or advocates.

80. *Validity of precedents.*—The Committee decided not to adopt an Argentine amendment to Article 38 intended to limit the power of the Court to attribute the character of precedents to judicial decisions. The Committee considered that it would be one of the Court's most important tasks to contribute through its jurisprudence to the development of International Law. On the other hand the Committee retained Article 59 which had been inserted by the Council (*viz.*, " The decision of the Court has no binding force except between the parties and in respect of that particular case ").

81. *Publicity and dissentient judgments.*—The Committee considered very carefully the question of the publicity of the sessions of the Court, and decided that non-publicity ought always to be an exception. The Court is left with the power of holding a private session either at its discretion or upon the request of both the parties.

The Committee also agreed with the Council that dissentient members of the Court should have the right to publish their individual opinions.

82. *Composition of the Court for the purpose of dealing with Labour cases and cases relating to Transit and Communications under Part XIII. (Articles 416, 418 and 423), and under Part XII. respectively of the Treaty of Versailles and the corresponding parts of other Treaties.*—This ground had not been covered by the draft of the advisory committee of jurists. A method of dealing with the cases in question was proposed by the British Delegation and adopted by Committee No. III. in the form of Articles Nos. 26, 27 and 28 of the Statute. On the demand of the parties such cases may be heard by a Special Chamber appointed for three years, but in the absence of such demand they will be heard by the full Court. In either case the Special Chamber, or the Court, will be assisted by four technical assessors chosen from a list composed of two persons nominated by each Member of the League and (in the Labour cases) an equivalent aggregate number nominated by the Governing Body of the Labour Office. The Special Chamber may, with the consent of the parties, sit elsewhere than at The Hague. This solution was arrived at after rejecting the original proposal of the Labour Office that there should be a special section of the Court for Labour cases.

83. A number of amendments other than those referred to above were introduced by the sub-committee and the full Committee. We attach (Appendix III., Annexes 8 and 9) the Report presented by the full Committee on behalf of the sub-committee (Assembly Document 199), and the Report of Committee No. III. itself (Assembly Document 216) covering certain draft Resolutions proposed for adoption by the Assembly.

84. At the morning and afternoon sittings of 13th December the Assembly debated the Committee's draft Statute and the draft Resolutions, which proposed that, in view of the special wording of Article XIV. of the Covenant ("The Council shall . . . . submit to the *Members of the League*"), the Statute should be submitted by the Council to Member States for ratification in the form of a protocol and that it should come into force on ratification by a majority of Members.

Some dissatisfaction was expressed at the Court not being given compulsory jurisdiction, and the form of the Resolutions excited considerable discussion, some delegates deprecating it as a derogation from the sovereignty of the Assembly and a return to the methods of the old diplomacy.

Dr. Hagerup, as *rapporteur*, though he stated that he would himself have preferred out-and-out adoption by the Assembly as against ratification by States, defended the course proposed as an exceptional case necessitated by the wording of Article XIV. of the Covenant.

85. The Resolutions (Appendix II., Resolution No. 23) and draft Statute were finally unanimously passed by the Assembly, with one amendment moved by M. Loudon (Netherlands) to replace the words at the end of the second paragraph of Article 27 "on all occasions" by the words "when desired by the parties or decided by the Court." The Statute, as finally passed by the Assembly, is reprinted in Appendix VI. (Annex 1).

Covering Protocol.

86. The protocol referred to in the Resolution was subsequently opened for signature at Geneva by the leading delegates on behalf of their Governments and was signed, after consultation with the British Delegation, by Sir William Meyer on behalf of the Government of India.

The main protocol was supplemented, in accordance with Article 36 of the Statute, by an optional clause, automatically accepting, subject to such conditions of reciprocity, etc., as might be stipulated, the jurisdiction of the Court as compulsory—*ipso facto* and without special agreement, in relation to other States accepting the same obligation—in all cases concerning (*a*) the interpretation of a treaty ; (*b*) any question of International Law ; (*c*) the existence of any fact which, if established, would constitute a breach of an international obligation ; and (*d*) the nature and extent of the reparation to be made for any such breach. Sir William Meyer did not consider that he was competent to go as far as this on behalf of the Government of India.

Copy of the protocol and optional clause is attached (Appendix VI., Annex 2).

Remuneration of Judges, etc.

87. The salaries and allowances of the members of the Court were to be determined by the Assembly on the proposal of the Council (Article 32 of the Statute). The question was referred by the Council to Committee No. III. which submitted certain proposals contained in their Report on the subject (Assembly Document 248, *see* Appendix III., Annex 10). These proposals were accepted by the Assembly on 18th December.

Proposal as to the more precise definition of International Law.

88. Attached to the draft Statute which had been submitted by the Council to the Assembly were four Recommendations (*voeux*), three of which had been proposed by the advisory committee of jurists, and a fourth by the Council. These were considered by Committee No. III., and the Committee proposed action by the Assembly on only one of them, which suggested a continuation of the work of the former Peace Conferences at The Hague in regard to the codification and development of International Law. The Committee proposed that the Assembly should invite the Council to take up with authoritative institutions the question of the more precise definition and co-ordination of the

rules of International Law. This proposal was considered by the Assembly on 18th December, but was opposed by Lord Robert Cecil on the ground that it was premature if it was the intention to proceed at once to the codification of International Law and otherwise useless. The proposal was rejected on a division.

Points on which a decision is required by the Government of India.

89. It will be seen from a perusal of the Statute of the International Court that it falls to the Government of India to decide in the near future on the action to be taken in regard to the following matters :—

(1) A decision whether or not to ratify the protocol which accepts the Statute constituting the Court.

(2) A decision on the important question whether to sign and ratify, with or without conditions, the optional clause accepting automatically the jurisdiction of the Court in certain classes of disputes.

(3) The appointment, under Article 4 of the Statute, of a national group of persons to nominate candidates for judgeships ; this national group must be appointed under the same conditions as those prescribed for members of the Permanent Court of Arbitration by Article 44 of the Hague Convention of 1907.

(4) The nomination under Article 26 of the Statute of two persons to be included in the list of " Assessors for Labour cases."

(5) The nomination under Article 27 of two persons to be included in the list of " Assessors for Transit and Communications cases."

Work of Committee No. IV. (Financial Organisation of the League).

90. This Committee was concerned with the four subjects on the Agenda connected with financial organisation, *viz.* :—

Item 22.—Report by the Secretary-General on the staff and organisation of the Secretariat.

Item 23.—The first budget, covering the " organisation period " (extending to 30th June 1920), and the second budget for the period from 1st July to 31st December 1920.

Item 24.—The budget for 1921 (the calendar year having now been adopted as the League's fiscal period).

Item 25.—The future method of apportioning the expenses of the League among its Members.

The Committee appointed Sir James Allen (New Zealand) as *rapporteur* on Item 22, and Sir George Foster (Canada), assisted by Jonkheer van Eysinga (Netherlands), as *rapporteur* on the remaining three items.

Staff and Organisation of the Secretariat.

91. The information provided in the Secretary-General's report as submitted to the Assembly was most meagre. H. H. The Maharaja Jam Saheb of Nawanagar, who represented India in this Committee, requested further information on the subject, and the request was supported by other representatives, particularly those of the Dominions. Under this pressure the Secretariat produced lists of the officers employed, showing their salaries, sumptuary allowances and nationalities. It was also stated that travelling allowances in addition to the actual expenses of locomotion are granted to officers absent on duty from the headquarters of the League, and that salaries were supplemented by temporary allowances towards the extra cost of living at Geneva, resulting from the initial difficulty of finding accommodation ; but it was explained that such temporary allowances ceased as soon as permanent accommodation was found, and would in no case be paid after the end of the Assembly session.

92. The information furnished gave rise to considerable and valuable discussion, from the point of view of economy, in the Committee. The fact, for instance, that while the Secretary-General gets a sumptuary allowance of 6,000*l.* a year, three of his subordinates draw sumptuary allowances also, appeared to indicate unnecessary lavishness, and it was felt that the general range of the salaries attached to the higher appointments was on an extravagant scale.

It may be observed, by way of illustration, that the Secretary-General's emoluments—10,000*l.* a year in all (and free of income-tax)—are about twice as much as those thought necessary for the very distinguished jurist who will have to be selected to be the President of the Permanent Court of International Justice at The Hague; and the emoluments of the Secretary-General's principal lieutenants are analogously high. It was pointed out by the Australian representative that out of 186 persons employed, 38 were receiving salaries of 1,000*l.* or more, and 48 others between 500*l.* and 1,000*l.*

93. Other questions discussed by the Committee were the period of appointment of officers; their security against dismissal during this period and their replacement or retention at the end of it; the publication of vacancies; the creation of a body within the Secretariat to advise as to selection; and the regard to be paid to international considerations in filling vacancies. A proposal that a certain proportion of the salaries of the staff should be retained for pension was rejected.

94. The Committee ultimately decided on the recommendations contained in Sir James Allen's Report (Assembly Document No. 229), attached as Appendix III., (Annex 11). This was discussed by the Assembly on 17th December. The *rapporteur* announced that he personally would have been prepared to make stronger proposals than those contained in his Report, which had been watered down by the Committee. The Maharaja Jam Saheb of Nawanagar, who had taken a leading part in the discussion of this and the kindred subjects dealt with by the Committee—he was, in fact, the protagonist of the economy party—had intended to speak in the Assembly, but was unfortunately prevented by illness from attending its sittings during the last week of the session. The speech which His Highness had prepared was delivered on his behalf by Sir Ali Imam, who followed it up by remarks of his own. Both speeches are attached to our Report (Appendix IV.).

95. After some amendment by the Assembly, Resolutions corresponding to the first three recommendations of Sir James Allen's Report were passed to the following effect:—

(*a*) Secretariat officers appointed for a period of five years or more by the Secretary-General should, in the event of dismissal, have the right of appeal to the Council.

(*b*) A list of the staff showing nationalities, salaries and allowances, by classes, should be published yearly, with an account, in the first two years, of the previous services of the higher officials; and attached to each budget should be a list showing the nationality, salary and allowances, including travelling allowances, of every individual member of the staff.

(*c*) In filling the various posts, and having of course regard to efficiency, consideration should be given to the international character of the League; information regarding vacancies to be made as public as possible. (Sir Ali Imam pointed out in this connection that no Indian had as yet been employed in the Secretariat).

The fourth recommendation (regarding the renewal of the staff at the termination of each five-year period) was rejected.

The most important of the amendments was one moved by Sir William Meyer, and accepted, that the principles of the Resolutions should apply equally to the staff of the International Labour Office. The Resolutions as adopted by the Assembly will be found in Appendix II. (Resolution No. 30).

The Budgets.

96. Committee No. IV. devoted a number of long meetings to the discussion of this subject. The existing condition of the League's financial organisation was felt to be unsatisfactory. The following were among the principal questions discussed:—

(*a*) The cost of the Secretariat.

(*b*) The cost of the Labour Office and the absence of any explanation of its budget of 7,000,000 gold francs for 1921.

(*c*) The question of creating an organ of financial control.

(*d*) The provision for working capital and for unforeseen expenses.

(*e*) Non-payment of contributions by certain States.

97. On the first point H. H. The Maharaja Jam Saheb of Nawanagar brought forward a motion that the cost of the Secretariat was susceptible of useful reduction. This was supported by the representatives of Australia, South Africa and New Zealand, but was not adopted. A somewhat similar motion by Sir James Allen (New Zealand) was also lost. The Secretary-General, in the course of his subsequent explanations to the Committee, said that he anticipated that the expenses of the League would not increase in 1922 in anything like the same proportion as in the years covered by the present budgets.

98. As regards the relations of the Labour Organisation to the Assembly, the Labour Office was understood at the outset to claim complete autonomy, under Part XIII. of the Treaty of Versailles, subject merely to the control of its own Governing Body, with the result that the League, through its Members, would have to pay whatever the Governing Body thought fit. M. Albert Thomas, however, who appeared before the Committee, admitted that this was an overstatement of the case, and that the Assembly must have general budgetary control over globular estimates, as he put it ; he seemed to think that details were outside the Assembly's scope. But he claimed complete independence of the Secretary-General. The last clause of Article 399 of the Treaty of Versailles he read as merely meaning that the Secretary-General can obtain the audit of money that he has paid in to the Labour Organisation.

99. The Labour Organisation budget of 7,000,000 gold francs for 1921 contained no details whatever, but after he had undergone a certain amount of heckling in the Committee, M. Thomas said that he would endeavour to give such details as soon as possible.

Mr. Butler, the Deputy Director, subsequently added, by way of excuse, that the Labour Office had not been able to prepare details owing to a sudden change in the budget period, which they had previously thought would be for the year commencing 1st April. He assured the Committee that full and previous explanations would be given in connection with the budget for 1922.

100. Several members of the Committee expressed themselves in favour of expert financial control by some body discharging the functions which correspond to those of a Government's Finance Department. The Maharaja Jam Saheb of Nawanagar proposed the appointment of an adequate committee to supervise expenditure and check all proposals for fresh expenditure ; His Highness withdrew his own motion to this effect in favour of an analogous proposal tabled by Mr. Barnes, but the latter was not moved owing to Mr. Barnes' absence. This and similar proposals, however, produced partial effect in the Report which was eventually submitted by the Committee to the Assembly.

101. The second budget (for the last half of 1920) contained a provision for 1,725,000 gold francs for a " working capital " or reserve. The object of this was to avoid the temporary borrowing which had been found necessary owing to the unpunctuality of many States in paying their contributions. The budget for 1921 contained, however, another provision for working capital. It was ultimately explained that the amount previously provided had been used to defray expenses resulting from the move to Geneva, which had been carried out at an earlier date than was expected at the time of the preparation of the budget for the last half of 1920.

It was pointed out that contributions for the first fiscal period (ended 30th June 1920) had not yet been received from three Members, *viz.*, Paraguay, Salvador and Argentina.

102. The first draft of the Committee's Report, prepared by Sir George Foster and Jonkheer van Eysinga, did not sufficiently meet the criticisms made in the Committee. H. H. The Maharaja Jam Saheb of Nawanagar and Sir R. Blankenberg (South Africa) accordingly circulated a protest to their colleagues on the Committee, indicating the points on which the draft Report was held to be inadequate, and desiring that if it was not amended the protest should be laid before the Assembly.

103. This document, which had been drafted by Sir William Meyer as principal Indian delegate for his colleague's use, and to which, as has been stated, the leading delegate of South Africa also adhered, produced an immediate effect, and was supported by other delegates at the next meeting of the Committee. The *rapporteurs* then gave up any attempt (for which they had previously seemed prepared) to curtail discussion, which was continued on an amended draft that they had circulated, containing some material improvements.

104. The Foster-Eysinga Report as finally adopted by the Committee is attached (Appendix III., Annex 12). It proposes a complete change in the existing financial organisation, and by implication recognises the unsatisfactory nature of the present position. It provides that the budget shall be placed before the Assembly in a much more complete form in future, and in time to enable preliminary scrutiny by Members of the League. The budget, with detailed explanations, must reach the Member-States a month before the Assembly meets. If supplementary estimates are necessary, these must be submitted to the Assembly at the earliest practicable moment. The power of the Assembly to modify or reject the budget proposals is fully recognised, and provision is made for adequate audit and for the separation of accounts under appropriate heads. The Labour Office and each Organisation, Office or Commission, provided for in chapter II. of the budget (Indirect Expenditure), is to prepare its own detailed budget (and explanation) to be annexed to the general budget.

The Report advised that the League should, so far as possible, avoid entering upon costly enterprises which could equally well remain in the hands of individual Members of the League or of existing international official bodies (such as the Postal Union).

105. The Report dealt as follows with points which had come under special discussion in the Committee :—

(1) With reference to the criticisms that had been made in regard to the Secretariat and Labour Office and the lack of financial control, a small committee of experts is to be set up to consider all factors connected with their organisation and methods of work ; the efficiency, number, salaries and allowances of the staff ; the general expenditure of the organisation, &c.* It was further laid down in the body of the Report (on the motion of Senator Millen of Australia), that after considering the report of this committee the Assembly will reserve to itself the right to vary, to such extent as it may think fit, the rate of remuneration of the officers concerned.

(2) Lists of the officials of the Secretariat and of the International Labour Office, with their salaries, allowances and nationality, are to be annexed to the annual budget.

(3) Where there is a lump provision for unforeseen expenditure in the budget, this can only be drawn on under the authority of a special Resolution of the Council, which must be immediately communicated to all the Members of the League of Nations.

During the year 1921 transfers from one item to another of the same budget chapter may be effected by virtue of a special Resolution of the Council, which must be immediately communicated to all the Members of the League of Nations. This action is not, however, to be regarded as establishing a precedent.

(4) Except as regards recoverable advances (*e.g.*, on account of Commissions whose expenses are refunded at a later date by the countries concerned), expenditure which has not been provided for in the general budget, either specifically or under the head of unforeseen expenditure, cannot be met from the special working capital fund established to tide over delays in obtaining subscriptions.

Consequently unforeseen expenditure, if not covered by clause (3) above, cannot be incurred till the Assembly has sanctioned it at its next meeting.

(5) The Secretary-General is to submit regularly as an annex to each budget a list of payments and receipts on account of the working capital fund, and a statement as to how it has been utilised.

(6) Member-States are to be asked to take steps to ensure their contributions being paid at the earliest possible date. Sir G. Foster also dealt with defaulting Members in his introductory speech, emphasising the fact that Argentina, which had attracted so much attention to itself by its Delegation leaving the Assembly, had so far not contributed a penny towards the League expenses in spite of repeated reminders.

Allocation of expenses among the States.

106. This subject, which was also covered by the Foster-Eysinga Report, had received special attention from the Committee.

*See Recommendation III. attached to the Report (Appendix III., Annex 12).

The matter had already been considered by a special Committee appointed in connection with the Brussels Financial Conference. Under Article VI. of the Covenant the expenses of the Secretariat including (under Article XXIV.) the expenses of subsidiary organisations placed under the direction of the League, are borne by Member-States in accordance with the apportionment of the expenses of the International Bureau of the Universal Postal Union. Under this system the six British Members of the League (five of which, including India, are grouped in the first class) pay about one-fourth of the League's total expenses. It had become clear that a system of apportionment which might pass without comment in regard to the relatively small expenditure of the Postal Union was quite unsuitable for the division of the growing cost of the League : inequalities under the Postal Union scheme matter very little in practice because of the small amounts involved, whereas a mistake in grouping or in percentage allotment is far more serious in regard to League outlay.

The Brussels Committee, of which Mr. H. F. Howard was a member, had made recommendations in favour of reapportionment on a basis of net revenue *plus* population. These recommendations were transmitted by the Council to the Swiss Government, which supervises the office of the Postal Union, and were forwarded by that Government to the Director of the Union office (who at the time of the Assembly's meeting was attending the Postal Congress at Madrid) with the request that he would ascertain the views of the delegates at the Congress regarding a possible modification of the Postal Union schedule. Committee No. IV., to whom these facts were communicated, caused an enquiry to be addressed to Madrid as to the attitude of the Congress. It is understood that (as the Indian Delegation were independently informed by Mr. Geoffrey Clark, the representative of India at the Madrid Congress) the Congress decided that the International Bureau should get into touch with the Secretariat of the League of Nations before any alteration was suggested and that the votes of the States in the Union should be taken. It thus appeared that while many delegates at Geneva wished to avoid amending Article VI. of the Covenant and looked to the Postal Union to revise its classification, the Postal Union in turn was looking to the League. This, to our mind, emphasised the necessity for getting the Covenant amended by cutting out all connection between the distribution of League expenses and that of the Union charges.

107. The solution adopted by the Committee was a compromise between the views of those who wished for an immediate amendment of the Covenant (led primarily by the representatives of India and the Dominions), and of those, including M. Hanotaux (France), who were anxious to avoid the necessity of amendment, or, like M. Trygger (Sweden), were opposed to the adoption of net revenue as a basis of allocation. This solution is set forth in Articles 13 (*a*) to 13 (*e*) annexed to recommendation No. II. in the Foster-Eysinga report.* Its practical effect is that a small Committee should be appointed, including the Swiss delegate to the Postal Union, to try and obtain a scheme of allocation which would suit both the Union and the League, but that, if this effort failed, the question of allocation of expenditure should again be placed on the agenda of the Assembly for 1921 ; and also that the allocation for 1922 should be so arranged that States, who contributed in 1921 more than the revised scheme would impose on them, would get a refund in 1922, a contrary adjustment being made in the case of Members whose quota would be increased.

Action of the Assembly on the Foster-Eysinga Report regarding the budgets and the question of reapportioning the League Expenses.

108. Report was taken into consideration by the Assembly on 17th December. Sir George Foster made a clear and eloquent introductory speech, and was followed by M. Trygger (Sweden) and Sir R. Blankenberg, the latter emphasising the anomalies of a system of allocation of expenses modelled on that of the Postal Union, where " South Africa, " as he pointed out, included territories with which the South African Dominion is not concerned. A speech by Sir James Allen contained a specific reference to the emoluments of the Secretary General, which, he pointed out, were five times what was deemed sufficient for the New Zealand Premier, and later on drew from Mr. Balfour a defence of that officer's salary ; both criticism and *apologia* were received in a spirit of apathy by the Assembly.

*See Appendix III, Annex 12.

109. The Indian Delegation had put down seven amendments to the Committee's proposals (*see* Appendix V., Annex 4), but in view of the relatively satisfactory character of that Committee's Report, as ultimately presented, and of Sir George Foster's explanatory speech, it was possible, after private conference between Sir George and Sir William Meyer, to withdraw five of them, *viz.*, those numbered 1, 3, 4, 5, and 6. The speech delivered by Sir William Meyer on the Indian amendments is given in Appendix IV. (Annex 7).

Amendment No. 1 was withdrawn because Sir George Foster furnished the explanation required, and satisfactory future provision regarding working capital is made in the Report.

Amendment No. 2, which was pressed and ultimately accepted, refers to non-payment of contributions, and requests that the special Committee which was already to be set up to consider modifications in the Covenant, should also consider what steps should be taken with reference to defaulting States. It was contemplated, for instance, that such steps might include debarring the delegates of such States from holding office in the Assembly, or from sitting on any Committees.

110. Amendment No. 3 was withdrawn on condition that an alteration* was made in the wording of Recommendation II. in the Report, the object of which was to make it clear that the "principles" which followed were to be observed henceforth in any case, and not, as might be inferred from the original wording, till a draft Resolution was submitted regarding them at the 1921 session.

Amendment No. 4 (to reduce the budget by a million gold francs) was specially justified in the case of the Labour Office by the manner in which M. Thomas had submitted a mere globular estimate of 7,000,000 gold francs without giving details, alleging that the Governing Body had not had time to consider them. Sir William Meyer was, however, furnished privately with some detailed estimates prepared by M. Thomas; and though he considered that these were on an extravagant scale, especially in regard to the expenditure proposed for printing, he thought that it would be a tactical mistake to press matters at the present stage, having regard to Sir George Foster's practical admission that the Labour Office's action had been very unsatisfactory, and in view of the fact that steps were being taken to prevent its recurrence.

Amendment No. 5, fixing a maximum aggregate cost for certain technical organisations, but allowing reappropriation between different heads in 1921, followed the lines of the Resolution which had been adopted by Committee No. II., and passed on by them to Committee No. IV. (*see* para. 50 above); but it was thought that the ground had been covered by the second paragraph of Article 6 under Recommendation II. in the Foster-Eysinga Report.

111. Amendment No. 6, the most important of the amendments withdrawn, was as follows:—

"That the Council be asked to consider more adequate future control of expenditure by the appointment of a Standing Committee, independent of the Secretariat and the Labour Organisation, to consider all items of fresh expenditure before these are submitted to the Council."

Sir William Meyer pointed out that the special enquiry to be instituted under Recommendation III. of the Report was good in itself, but inadequate as regards the future. What was desired was constant control, such as is exercised in every country by its Finance Ministry over the estimates of spending Departments; and the Council were far too much occupied to afford this check. The amendment was, however, not pressed in deference to representations made to Sir William Meyer by Sir George Foster that the question might provoke much discussion and that the Assembly had already obtained considerable scope for control. The general attitude of the Assembly in regard to economies was, moreover, clearly apathetic. It was thought desirable, therefore, for tactical reasons not to press the amendment on the present occasion, but in announcing this decision Sir William Meyer explained that the Indian Delegation adhered to the principle underlying it, and reserved full liberty to bring it forward again next year.

*For this alteration compare Appendix II., Recommendation No. 8, with the draft Recommendation II., in the Foster-Eysinga Report (Appendix III., Annex 12).

112. Amendment No. 7 was to the effect that the Committee to consider alterations in the Covenant should also be instructed to consider an amendment of Article VI. thereof, which would make future contributions of States to League expenditure depend not on the quotas adopted for the purposes of the Postal Union, but on some independent principle. Sir William Meyer pointed out the absurdity of making the division of expenditure which had already attained to over a score of million gold francs depend on the allocation adopted for the outlay of the Postal Union, which only amounted to some 3,00,000 francs; and that as the Postal Union might quite well decline to modify their existing scheme materially, the proper course was to cut the League adrift from the Union promptly instead of waiting till we were forced to do this.

Sir George Foster, however, declined to depart from the compromise arrived at in his Report, and the Indian Delegation's amendment on this subject, as well as another on somewhat different lines moved by Sir R. Blankenberg (South Africa), were rejected on a division by large majorities.

113. With the amendments indicated above, the Assembly accepted the Foster-Eysinga Report (*see* Appendix II., Resolutions Nos. 31 and 32, and Recommendations Nos. 7-9). The figure of 21 million gold francs was shown in the original Report for the Budget for 1921, but this became 21,250,000 gold francs, because 2,50,000 gold francs were added on account of new expenditure sanctioned during the session in respect of armaments, traffic in women and children, and the Armenian enquiry.

114. The leading of the movement for greater and more economical control ever the league finances was the most important work done by the Indian Delegation in the session under report, and though the results acheived fell short of our desires, they mark great improvement. The full right of control of the Assembly and its Budget Committee over the League's finances, including those of the Labour Office, has been admitted. There has been practical admission that the estimates for 1921 were submitted in an inadequate form (especially those of the Labour Office), and steps have been taken to obtain more adequate information and examination for the future. The special Committee to be set up to examine the organisation and emoluments of the Labour Office and the League Secretariat may not result in any drastic economy in regard to the present scales, but will hinder future extravagant expansion. The necessity for revising the methods of assessment of the constituent States, whereby India at present suffers, has been admitted, though the actual method accepted is in our opinion cumbrous and dilatory. Lastly, we have put a check on the idea entertained by a number of the delegates that expansion of the League's expenditure was a matter of little consequence, since it was for good objects and the amounts would be distributed among many countries.

As above indicated, we should have liked to go further, especially in the direction of constant outside control over the League's spending departments and the revision of the present very faulty assessment system. But we had to face the apathy of the majority of the foreign States. We have, however, paved the way for future progress.

In this campaign we were ably seconded by the Dominions delegates, especially those of South Africa and New Zealand. From the British representative in Committee No. IV. (Mr. Barnes) we obtained intermittent support, but he was absent every now and then. We had also to face the fact that the international character of the League's establishments tends to extravagance. It would be invidious (as M. Thomas argued) to discriminate in the matter of emoluments between citizens of countries in which the scale of official remuneration is large and those in which it is much lower.

Work of Committee No. V. (Admission of new States to the League).

115. This Committee dealt with the applications for admission to the League received from 14 States, which were referred to various sub-committees.

In each case the applications were examined with reference to the five following points :—

(1) Is the application for admission to the League of Nations in due form ?

(2) Is the State recognised *de jure* or *de facto,* and by which other States ?

(3) Does the country possess a stable Government and settled frontiers? What are its size and population?

(4) Is the country fully self-governing?

(5) What has been the conduct of the country, including both acts and assurances, with regard to—

(*a*) its international obligations;

(*b*) the prescriptions of the League as to armaments.

116. The conclusions reached by the Committee after receiving the sub-committees' reports were debated by the Assembly from 15th to 17th December.

The Assembly adopted, as a preliminary, a Recommendation moved by Lord Robert Cecil requesting the Baltic and Caucasian States and Albania, in the event of their admission, to enforce the principles of recent Treaties regarding the protection of minorities (*see* Appendix II., Recommendation No. 3).

117. In the course of the general discussion M. Motta (Switzerland) spoke in favour of extending membership of the League to all Powers in the world as soon as possible, and dealt specifically with the United States of America, Russia and Germany; he said that he considered that the decision of the Peace Conference not to give immediate admission to Germany was a mistake. This evoked from M. Viviani the most eloquent speech of the session, in which he justified the position of France in this matter in regard to Russia and Germany. Russia could be admitted as soon as she returned to real democracy: as regards Germany, he appealed to Article I. of the Covenant, and asked how it would be safe to admit at once to the League, which depended on mutual responsibilities and good faith, a Power which was still on test in regard to its readiness to carry out the specific obligations of a Peace Treaty. He, too, wanted the League to be all embracing, and the sooner America could enter, the better pleased France would be, but the too early admission of certain States would defeat the real object in view; and he reminded M. Motta that it would not have been possible for the Assembly to meet but for the sacrifices of the Allied Powers, which had defended the liberties of the world.

Germany was not among the applicants for admission, but the proposal of the Argentine Delegation, referred to in para. 14 above, that civilised Powers should be admitted to the League whenever they wished, without having to undergo a ballot, was regarded in some quarters as having been specially made in her interests.

118. Basing itself on the five criteria indicated above, the Assembly then proceeded to the individual candidatures, in regard to which a two-thirds favourable vote is required by Article I. of the Covenant.

Six of the applicant States were admitted. *Austria* (with 35 votes for and none against) was readily accepted. The Committee had put on record, on the representation of Switzerland, that Austria's entry into the League would in no way prejudge the future political destiny of the Vorarlberg.

The application of *Bulgaria* had at first been opposed in the Committee by the representatives of her Balkan neighbours, but in the end her admission was unanimously recommended, on the motion of Greece and Rumania, after the receipt of reports by the Allied Military Council at Versailles and the Council of Ambassadors. These reports tended to the conclusion that Bulgaria had shown a sincere intention to execute her international obligations.

The Assembly adopted this conclusion by 35 votes for admission and none against. M. Viviani, however, who had abstained from voting in the Committee on behalf of France, also abstained in the Assembly.

The following States were also admitted without any adverse vote:—

Costa Rica (38 votes).

Finland (39 votes), without prejudice to a decision in the Aaland Islands dispute. The French policy of treating the Russian problem as an integral whole, which was one of the obstacles to the admission of the other Baltic States, did not stand in the way of Finland's admission in view of the fact that she had been autonomous before the Russian revolution.

Luxemburg (39 votes). Luxemburg had at first asked for a special guarantee of her neutrality on admission, but had subsequently withdrawn this request. In the Committee Mr. Fisher had proposed to postpone the question

of her admission, and to ask the Council to make a special study of the case. He drew attention to the difficulties that might arise from he admission of a State as small as Luxemburg. He thought that her request for admission might be postponed until the next session of the Assembly, in order that the Council might meanwhile decide whether a minimum of territory or population should not be required to qualify for admission to the League. Since, however, MM. Poullet (Belgium), Van Karnebeek (Netherlands), Politis (Greece) and Lord Robert Cecil (South Africa), had recommended the immediate admission of Luxemburg, Mr. Fisher withdrew his proposal, and the admission of this State had been unanimously recommended by the Committee to the Assembly.

119. The sixth State to be admitted was *Albania*. The Committee had recommended by a majority that the admission of Albania should be postponed until her international status has been definitely determined. Lord Robert Cecil, who had led the minority in her favour in the Committee, now moved that Albania should be admitted. Her supporters urged that she stood on a different footing from the other States which were rejected by reason of their indeterminate boundaries, because she was surrounded by Members of the League who had recognised her international existence, and if any question arose as to her boundaries it could be settled amicably as between League States. Mr. Fisher announced that on reconsideration he would support the motion, and M. Viviani and M. Schanzer (Italy) concurred. Sir Ali Imam made a telling speech pointing out that a favourable decision would appeal especially to India, because Albania is a country where the adherents of two great rival religions are working cordially together. Albania was admitted by 35 votes with none against.

It had at first been thought that, if there was opposition to the Albanian claim, it might be prudent for the British Empire Delegations to abstain from voting, but it was subsequently decided that she should be supported, and, as a matter of fact, the opposition had disappeared. We were very glad of a situation which enabled India to support the application, in view of the satisfaction which this might give to Indian Muhammadans.

120. The remaining applications failed. There was no hesitation in rejecting the *Ukraine* and *Azerbaijan* (no States voting in favour) since they did not appear to possess stable governments with authority extending over the whole of their territories.

As regards *Liechtenstein,* the Committee was of the opinion that her application could not be granted, as she did not appear to be in a position to carry out all the obligations imposed by the Covenant, but they recommended that the special Committee to be appointed by the Council of the League to consider proposals with reference to amendments to the Covenant should also consider in what manner it would be possible to attach to the League of Nations sovereign States which, by reason of their small size, cannot be admitted as ordinary Members. The Assembly rejected the application of Liechtenstein (only Switzerland voting in her favour) but accepted the Committee's general Recommendation (Appendix II., Recommendation No. 6).

121. In considering the requests of *Esthonia, Latvia, Lithuania, Georgia,* and *Armenia* for admission to the League, the Committee considered these States as all falling under a like category, since, though differing widely geographically, they are all situated in a disturbed portion of the world, and are of recent creation , with indeterminate boundaries, and menaced by the possibility of Russian revindications. This being so, the League could not effectively undertake the responsibilities for their protection against external aggression contemplated by Article X. of the Covenant.

Lord Robert Cecil had wished to admit them subject to a formula stating that they should not necessarily get the benefit of the League's guarantee in Article X. of the Covenant, but other delegates pointed out that this would not be a satisfactory solution, since if these States were to be Members of the League, they must be treated in the same way as the rest, and the guarantee of Article X. would be of primary necessity to them. Mr. Rowell (Canada) thought that all that could be done at present was to establish some formula which would admit of special relations between these States and the regular Members of the League.

122. Finally, after careful consideration, the Committee recommended that these States were not ripe at present for regular admission to the League, but that if they wished they might be given representation on the League's technical organisations, including the International Labour Conference (Appendix II., Recommendation No. 5).

This decision was taken by the Committee with reference to Armenia after a noteworthy declaration by Mr. Rowell (Canada), in which he challenged the propriety of the alleged hostile attitude of the recent Conference of Premiers in London in regard to the admission of Armenia to the League, and said that in the opinion of his Government the question of the admission of new States must be decided by the Assembly in Geneva, and not in London, Paris, or Rome. This view was supported by Lord Robert Cecil and Dr. Nansen (Norway).

123. The Assembly agreed with its Committee that the question of the admission of these five States should be postponed. Only five States voted for Esthonia, Latvia, and Lithuania, ten for Georgia, and eight (including Canada) in favour of Armenia. It was decided, however, that the three Baltic States and Georgia might, as recommended by the Committee, be admitted, if they so desired, to the technical organisations of the League and to the Labour Organisation. This Resolution, however, was less emphatic than the Committee had suggested, being made merely an expression of opinion by the Assembly that such a course would be desirable.

A similar proposal could have been carried for Armenia, but Lord Robert Cecil, who had been the protagonist of the Armenian claim, said that in present circumstances, with her very existence threatened, it would be a mockery to ask her to take part in technical deliberations.

Work of Committee No. VI. (Economic Weapon, Armaments, and Mandates).

124. Committee No. VI. dealt with the following items on the Assembly's agenda :—

Item 27.—Reduction of armaments. This question was placed on the agenda as the result of a Resolution adopted by a Conference of Ministers of State and Ministers of Foreign Affairs of Denmark, Norway and Sweden, expressing the hope that the work of the Permanent Advisory Commission on Military, Naval and Air questions, established by the Council in accordance with Article IX. of the Covenant, would be carried out without delay.

Item 28.—Preparations required to enable the " economic weapon " of the League (*i.e.*, the steps contemplated in the first paragraph of Article XVI. of the Covenant) to be used in case of necessity.

Item 29.—Mandates. Responsibilities of the League arising from Article XXII. of the Covenant.

The Committee referred each of these items to a separate sub-committee.

Economic Weapon (Item 28).

125. This was the first of the three subjects disposed of. Lord Robert Cecil was Chairman of the sub-committee of five members which dealt with it. Their Report, in which some minor modifications had been made by the full Committee, was presented to the Assembly on 10th December, and as amended by the Assembly is reproduced in Appendix III. (Annex 13).

The Report commences by reciting the Resolution which, on the proposal of M. Tittoni, the Council had adopted on 3rd August 1920, *viz.* :—

" The Council decides to place upon the agenda of the first Assembly of the League of Nations the consideration of the necessary measures to ensure the application of Article XVI. of the Covenant. With this aim in view, it will propose to the Assembly that, as a preliminary measure, an International Blockade Commission should be appointed under the authority of the first Assembly for the purpose of studying the problem and settling the general plan of action, the organisation of the more permanent machinery required and the principles on which it should work."

126. The sub-committee's Report, endorsed by the Committee—

(1) Provides that this Commission should be appointed by the Council, and should not exceed eight in number, with power to bring in experts to advise them, and that not less than half of its members should represent States not having a right to permanent membership on the Council.

(2) Recommends the following steps to obviate difficulties in the way of the immediate application of the economic weapon if necessary, pending the elaboration of procedure by the Commission :—

It is to be the duty of the Secretary-General to call the attention of the Council to any facts which seem to point to violation of the Covenant within the meaning of Article XVI.; the Council should thereupon consider the matter and report the result of their deliberations (whether unanimous or not) to the other Members of the League. If any State is thereupon satisfied, with reference to the Council's findings, that there has been such a breach, it becomes the duty of that State to carry out the first part of the Article. Where the Covenant-breaking State has a seaboard which it would be necessary to blockade, the Council ought to consider what Members of the League can most conveniently be asked to discharge this duty.

(3) Refers to the proposed Blockade Commission other questions relating to the application of Article XVI., as for instance :—

(*a*) That of securing identity of action by all the Members of the League against the Covenant-breaker.

(*b*) As to relations between nationals of the Covenant-breaking State and those of other Members of the League.

(*c*) A question suggested for consideration by Denmark, Norway, and Sweden, as to the case of Members of the League who, from their weakness and their geographical position, might be in serious danger if they carried out to the full their obligations under the first paragraph of Article XVI. against a powerful Covenant-breaking State.

(*d*) How the blockade can be enforced where a State which is not a Member of the League is a neighbour of the Covenant-breaking State, and

(*e*) What restrictive measures of a financial character can and ought to be taken.

127. The Report also laid down that where a State which has been invited under Article XVII. of the Covenant to accept the obligations of Membership of the League, but has refused, makes war against a Member of the League, it must be treated in precisely the same way as if it were itself a Covenant-breaking State.

128. Two of the minor amendments made by the Assembly, and incorporated in the Report as printed, are worth mentioning :—

(1) The provisional proposals of the Report [*see* para. 126 (2) above] are to be reviewed at the next Assembly on the report of the Blockade Commission.

(2) The meeting of the Council to consider a *prima facie* breach of the Covenant is to be called on the request of any of its Members instead of on the initiative of the Secretary-General.

129. It seems inevitable that, for the present, the " economic weapon " will be a difficult one to apply with adequate unanimity and promptitude. It will be observed that it is left to each State to decide (when the emergency arises) whether a case for applying the " blockade " under the Covenant has arisen or not. In reply to M. Motta (Switzerland) in the Assembly, Lord Robert Cecil admitted that this was the Committee's view of the meaning of the Covenant, but insisted that each State, when once it had decided that there had been a breach of the Covenant, was obliged to apply the full provisions of Article XVI. The interim procedure proposed in the Report [*see* para. 126 (2) above] was designed to assist each State in arriving at a conclusion as to whether a breach had actually occurred.

Reduction of armaments (see *Articles VIII. and IX. of the Covenant*).

130. In view of the interest taken in the question, the first meeting of the Committee on the subject of disarmament was open to the public. At this meeting Dr. Lange (Norway) presented a long memorandum, in which he stated that the application of the Articles of the Covenant which relate to the question should not be further delayed, since the peace of the world demanded an immediate solution : not only was it necessary for an exchange of information concerning the armament programme of each country to be organised, but the accuracy of the information must be checked.

131. At the next meeting it was decided that the discussions should for the present be private. At this meeting M. Bourgeois recalled that the French Delegation at the Peace Conference had made two important proposals, one for the organisation of a control of armaments, and the other for the formation of a body of international police recruited from the various States. As things now were, in the opinion of M. Bourgeois, it would be wiser to delay for a short time the reduction of armaments than to take measures which were ill-considered and premature ; otherwise the States which disarmed and honoured their obligations might find themselves at a disadvantage.

M. Schanzer (Italy), however, thought that the League should not in any way seem to postpone the study of the question. Although armaments must be reduced according to a uniform plan, so that immediate reduction was not possible, the solution of the problem must not be too long deferred.

132. At a further meeting of the Committee, divergent views continued to be forcibly expressed.

M. Fock (Netherlands) said that when the Parliament of the Netherlands were considering the question of applying for admission to the League, they adopted a unanimous Resolution to the effect that in their opinion the reduction of armaments was the most important question for the League of Nations. It was, he thought, impossible to make warfare more humane ; the only hope lay in the complete abolition of the military system.

M. Negulesco (Rumania) said that Rumania could not disarm until the ex-enemy countries did so. He thought with M. Bourgeois that an international police force must be created to enforce the decisions of the League. He proposed Resolutions (*a*) in favour of such a police force ; (*b*) that the limitation of armaments should be imposed not only on Member-States, but on others ; (*c*) that a Commission should be appointed to verify the information interchanged between States ; and (*d*) that there should likewise be an international army in order to undertake the common action contemplated by Article XIII., and also by Articles X. and XVI., of the Covenant.

The Chairman, M. Branting (Sweden), stated that the present Permanent Commission appointed to deal with the disarmament question could not be satisfactory, because it was exclusively composed of military experts. The peoples of the world were tired of the burden of armaments, and he suggested the possibility that armies which seemed so large on paper might not turn out to be so in reality when the peoples found that they had been deceived in their hopes. It was necessary for the Assembly to take into consideration the feelings which prevailed in the Labour world.

133. As the result of these discussions, Dr. Lange admitted that it was impossible during the present session to reach a definite solution on the general problem of disarmament, and that therefore the Assembly should do its best to create the necessary machinery to prepare a plan for consideration at the next session. It was then decided to appoint a sub-committee of nine members, nominated by the Chairman. The sub-committee had no specific instructions, but considered *inter alia* the questions of the arms traffic, the steps to be taken under paras. 5 and 6 of Article VIII. of the Covenant in regard to the private manufacture of munitions, &c., and the interchange of information as to armaments.

134. The Report of this sub-committee, which was adopted by the full Committee, and presented by Mr. Fisher, as *rapporteur*, to the Assembly on 14th December, is printed in Appendix III. (Annex. 14).

It contains three draft Resolutions. The first of these invites the Council to urge on all Governments the necessity for speedy adherence to the Arms Traffic Convention drawn up at St. Germain in September 1919 (which was designed to stop the unlicensed exportation of arms and munitions to inflammable portions of the world, such as the Persian Gulf, but on which no real action had been taken), as also for its ratification by Powers that had already signed. These last include Great Britain, the Dominions and India, France, the United States of America, Japan, Italy, Greece and Belgium.

135. The second Resolution refers to the condemnation by Article VIII. of the Covenant of the manufacture by private enterprise of munitions and implements of war, and requests the Council to investigate this serious problem without delay. It also suggests that attention should be given to the possibility of utilising the International Office of Control over the traffic in arms, when

created under the Arms Traffic Convention, to deal likewise with questions relating to private manufacture.

136. The third, and most important, Resolution deals generally with the steps towards disarmament prescribed in the first four paragraphs of Article VIII. of the Covenant. It should be noted that the Report recognises that progress must be gradual, and suggests three stages—*first,* a limitation on the growth of armaments ; *second,* a progressive reduction ; while the culminating *third* stage would be final disarmament in the sense recognised by para. 1 of Article VIII. as requisite for the maintenance of peace, *i.e.,* reduction " to the lowest point consistent with national safety and the enforcement by common action of international obligations." The Resolution, after a general preamble, was mainly concerned with supplementing existing machinery with a view to accelerating reduction and providing for the publication, exchange, and, if possible, verification of information on the subject ; but it finally proposed one positive step in the direction of the initial process of a limitation on the further growth of armaments, which will be dealt with presently.

137. The preamble of this Resolution, besides referring to Article VIII. of the Covenant and to the preamble of Part V. of the Treaty of Versailles and other Treaties, goes on to cite the pronouncement made by the Supreme Council on 8th March 1920, that " in order to diminish the economic difficulties of " Europe, armies should everywhere be reduced to a peace footing, that arma- " ments should be limited to the lowest possible figure compatible with na- " tional security, and that the League of Nations should be invited to examine " proposals to that end without delay." It also quotes the Resolution of the International Financial Conference at Brussels, earnestly urging the general reduction of " the crushing burdens which, on their existing scale, armaments still impose on the impoverished peoples of the world." On the other hand, the preamble points out that a complete and comprehensive scheme of disarmament depends upon the following conditions : first, under the responsibility of the Powers signatory to the Treaties of Peace, upon the complete fulfilment of the reduction of armaments imposed by the said Treaties on certain of these Powers; secondly, upon the exercise, as occasion may demand, of the right of investigation accorded by these Treaties to the Council of the League of Nations, in order to maintain this reduction ; and lastly, upon the collaboration of the great military Powers which have hitherto remained outside the League.

138. After this preamble the Resolution invites the Council to act as follows :—

(*a*) To request the Permanent Advisory Commission for Military, Naval and Air Questions rapidly to complete its technical examination into the present condition of armaments.

(*b*) To instruct a temporary Commission, composed of persons possessing the requisite competence in matters of a political, social and economic nature, to prepare, for submission to the Council in the near future, reports and proposals for the reduction of armaments as provided for by Article VIII. of the Covenant.

(*c*) To form within the Secretariat a section to serve as a centre of information for the Commission in question, and also as a channel for the publication and exchange of the information referred to in the Covenant.

(*d*) To consider the mechanism by means of which the military information to be exchanged under the provisions of Article VIII. of the Covenant can be verified, in the event of the principle of mutual verification by Members of the League being confirmed by an amendment of the Covenant.

139. Finally, in clause (*e*) of the Resolution as proposed, the Assembly was to " request " the Council, pending the full execution of the steps for the reduction of armaments recommended by Article VIII. of the Covenant, to submit for the consideration of the Members of the League the acceptance of an undertaking not to exceed, for the first two financial years following the next financial year, the sum total of expenditure on military, naval and air services provided for in the budget of the last-mentioned period, subject, however, to account being taken of—

(1) any contribution of troops, war material and money recommended by the League of Nations, with a view to the fulfilment of obligations imposed by Article XVI. of the Covenant or by the treaties registered by the League ;

(2) exceptional conditions notified as such to the Council of the League of Nations in accordance with the spirit of paras. 2 and 6 of Article VIII. of the Covenant.

140. As regards clause (*b*) in para. 138 above, Mr. Fisher drew attention to the fact that the existing Permanent Military, Naval and Air Commission appeared to be too exclusively a body of military, &c., experts. It was, therefore, desired to supplement their deliberations by special non-military committees appointed from time to time. Mr. Fisher also observed, with reference to a report on poison gas on which the Permanent Commission had been engaged, that matters were not yet ripe for a revision of the laws of warfare ; the first step was to prepare the way for a reduction of armaments. Clause (*c*) (para. 139 above) made a specific proposal in this direction, but Mr. Fisher pointed out that its acceptance by the Assembly would not bind the Governments of the States belonging to the League to carrying out the particular plan it set forth, and he himself was unable to commit his Government at present. Similar reservations were then made by the Belgian and Spanish representatives.

141. It thus became clear that clause (*c*) was in effect merely an advice to the Governments. Even so, however, it was opposed by M. Bourgeois, on behalf of France, on the grounds that it was not fair to compare the budgets of States which had taken part in the war with those of neutral Powers; that the war budgets of the different countries were not prepared in the same way, *e.g.*, one might include under military outlay expenditure which in another might be classified under some civil head ; and that present economic and exchange conditions made the estimates in different countries of very different real value.

142. After considerable discussion the first two Resolutions and clauses (*a*) to (*d*) of the third, were unanimously passed. As regards clause (*e*) of the third Resolution, the President suggested that it might be made still less positive by substituting a recommendation to the Council instead of a request, and that as a mere " Recommendation " it would not require a unanimous vote. This procedure was agreed to, but even as a " Recommendation " the proposal did not obtain unanimous assent. M. Schanzer (Italy) and Lord Robert Cecil thereupon insisted on a roll call vote being taken in order that those who were prepared to vote against the Recommendation might publicly accept the responsibility of their action. A roll call was accordingly taken, and the Recommendation was carried by 30 votes to 7. The States voting in the minority were France, Poland, Rumania, Greece, Brazil, Chile and Uruguay. It may be noted that, though voting by roll call is the rule and not the exception under the Rules of Procedure (No. 20), this occasion (14th December) was the first during the session on which a public roll call vote had been taken. The usual method on a division was to ask the leader of each Delegation to rise from his seat in response to the question " Aye or No " and to decide the result by counting those who stood up.

Copy of the three Resolutions and of the Recommendation adopted are attached (Appendix II., Resolutions Nos. 24-26, and Recommendation No. 2).

Mandates.

143. The lack of precise expression in the last two paragraphs of Article XXII. of the Covenant had caused widespread doubt (which was reflected in the sub-committee) on the following questions :—

(1) What was the extent of the League's responsibilities.

(2) Whether these responsibilities fell upon the Council or the Assembly.

The sub-committee, of which Dr. Nansen was Chairman, did not attempt to solve these questions, as they found that it had been assumed that " the Principal Allied and Associated Powers," and not the League itself, were to be the Mandators (a decision based on the absence of express language to the contrary in the Covenant, and on the implications of Articles 118 and 119 of the Treaty of Versailles) ; and that as regards the remaining functions, of confirming the appointment of Mandatories, defining the scope of the different classes of mandate, and constituting a Mandates Commission to examine the annual reports of the Mandatories, these questions were already in the hands of the Council. As regards the scope of the mandates, the reference in the penultimate paragraph of Article XXII. to a hypothetical previous agreement by the Members of the League regarding the degree of the Mandatories' authority, control or administration had been elaborately explained away in a Report

by M. Hymans, adopted by the Council on 5th August 1920, to the effect that the framers of the Covenant assumed that Conventions governing mandates would be included in a later chapter of the Treaty of Versailles, so that " the Members of the League " would have meant the signatories of the Treaty other than Germany ; and that as this assumption had turned out to be incorrect, the question of previous agreement did not arise.

It may be noted that on 20th November the Secretary-General circulated to delegates a memorandum received from the German Government, in which the latter contended that only the League could nominate the Mandatories, and that the Assembly was the proper authority for settling the terms of the mandates and appointing the Mandates Commission, and protested against any other solution as a violation of the Treaty of Versailles.

144. The attitude taken by the Council *vis-a-vis* the Assembly was that the responsibilities of the League in the matter of mandates fall within its own exclusive competence. It was, therefore, somewhat perplexing that the question should have been placed by the Council on the Assembly's agenda. The reason for this step was apparently that the Council considered it its duty to make a special Report to the Assembly on the decisions which it had taken up to that date, when the most important decisions—as to the terms of the mandates —were still pending owing to the non-receipt of the draft mandates under preparation by the principal Powers.

The sub-committee held that, even so, on the admission of Mr. Rowell, as *rapporteur* on the question of the relations between the Assembly and the Council, if the Council submitted a matter within its own competence to the Assembly, the latter body had a perfect right to make suggestions in regard to it [*see* para. 17 (4) above].

145. In some correspondence between the sub-committee and the Council, the sub-committee expressed in very strong terms the hope that all the mandates might be defined before the end of the session, and was of the opinion that a failure to dispose of the question during the session would be a disaster for the League of Nations. The sub-committee, therefore, requested the Council to lay before it any draft mandates which it had received for consideration. The Council consented to communicate the draft mandates for Syria, Mesopotamia, and Palestine, but only confidentially and on condition that no reference to their terms should be made in the sub-committee's Report to the Assembly. No other draft mandates than those mentioned had at that date apparently been received by the Council.

146. The sub-committee's Report had accordingly to be confined, as regards the terms of the mandates, to laying down certain general principles as follows :—

C. Mandates (those for countries which are to be administered as integral portions of the Mandatory's territory) called for no observations, as the terms are already sufficiently defined in the Covenant.

As regards *B. Mandates* (the class to which the Central African territories belong), the conditions in the Covenant are also clearly defined, but the intention that the Mandate territories should be administered for the well-being and development of their inhabitants might require closer examination than in the case of the C. Mandates.

In regard to *A. Mandates* (for former Turkish territories), the theory of independent States assisted and advised by the Mandatory left room for greater variety in the terms ; but it might be generally laid down that the Mandatory State should not abuse its position by increasing its military strength, or by favouring itself or its friends in the exploitation of the country ; and it should pass an organic law, which should be submitted to the League before coming into operation.

147. The sub-committee also dealt with the question of the Mandates Commission. As regards the functions of this Commission, M. Hymans' report adopted by the Council on 5th August 1920 (*see* para. 143 above) had expressed the view that the League's right of supervision extended beyond the mere task of ascertaining whether the Mandatory had acted in accordance with the terms of its mandate ; and that the annual report of the Mandatory should cover the whole moral and material situation of the peoples under its rule. In regard to the constitution of the Commission,

M. Hymans had favoured the inclusion of a representative from each Mandatory, and a majority of other members who should be private individuals chosen by the Council from nationals of non-Mandatory Powers. On the basis of this proposal the Secretary-General prepared a draft constitution, giving a member to each of the seven Mandatories, and adding eight members who were, however, to be chosen from nominees of the non-Mandatories by the Assembly and not by the Council.

The Council subsequently, at its Geneva meeting on 1st December, decided on a smaller Commission of nine members appointed by the Council for their personal qualifications, and to contain in any case a majority of non-Mandatories' nationals. Each Mandatory State's report should, however, be examined with the assistance of an authorised representative of that State, though he would attend only in the capacity of an assessor.

This was the solution which had been favoured by the Empire Delegations, including India, when the matter was informally discussed with reference to the attitude to be adopted by the British representative in the Council. We were not in favour of the Secretary-General's scheme, as it gave too large a proportion of the representation to Mandatory States as such.

148. The sub-committee of the Assembly made the following proposals with regard to this Commission : that its members should not be dismissed without the assent of the majority of the Assembly ; that at least one of them should be a woman ; and that the Mandatories should be asked to present reports on their *interim* administration prior to the grant of the mandates.

The Report of the sub-committee finally regretted that, owing to the course the Council had taken, there had been no opportunity for the public consideration of the draft mandates before they come into force, and trusted that if any further delay should unfortunately take place, the draft mandates would be forthwith published.

149. Owing to pressure of time the sub-committee's Report (which is reproduced in Appendix III., Annex 15) was not considered by the full Committee, but was presented direct to the Assembly on the 18th December. After a prefatory remark by Dr. Nansen that the effectiveness of the Mandate system would be regarded by critics as a test of the sincerity of the League, Lord Robert Cecil presented the Report and dwelt particularly on the request for publicity in respect of the draft mandates. M. Loefgren (Sweden) and Mr. Doherty (Canada) also spoke in favour of the Report. Mr. Balfour, however, made a speech in which he objected to the general tone of the Report and of the debate, as indicating a claim on the part of the Assembly to dispute the Council's exclusive control of the question. As regards the specific proposals, he reserved the Council's freedom of action so far as the British representative was concerned. Lord Robert Cecil then disclaimed any desire to take the matter out of the hands of the Council, and after a conciliatory speech by M. Bourgeois the suggestions made in the Report were adopted by a majority of the Assembly—Senator Millen (Australia) voting against them—in the form of Recommendations (Appendix II., Recommendation No. 10).

150. Throughout these discussions, and at occasional informal conferences between the Empire Delegations, we bore in mind the special interests of India in maintaining the status of her nationals on an equality with those of other members of the League in respect of the Mandate territories. The Council, however, did not allow the question of the terms of the mandates to pass into the hands of the Assembly, and it is believed that it had not itself received the drafts of the B. Mandates before the session was closed, nor those of the C. Mandates until the last days of the session.

It was expected that equal treatment of the nationals of all Members of the League would be adequately safeguarded by the drafts of the A. and B. Mandates. As regards mandates of the C. class, which are given to the Dominions, the provision in the Covenant for administration under the laws of the Mandatory as an integral portion of its own territories involves, of course, the extension to these new areas of any policy of exclusion of Asiatics as applied in the Dominion itself. This is very regrettable, but cannot be challenged, having regard to the wording of the sixth paragraph of Article XXII. of the Covenant. There seems no reason to fear (as had at one time been suggested) that special concessions will be made to Japan in preference to any other State affected by the adoption of the C. Mandates.

Miscellaneous Questions.

151. Certain Resolutions and Recommendations were adopted by the Assembly on various questions which were not originally on its agenda and were not referred to any of its Grand Committees. Thus on 23rd November, on the motion of Jonkheer van Karnebeek (Netherlands), it was resolved, in regard to the registration with the Secretariat, and publication, of treaties and international engagements under Article XVIII. of the Covenant :—

> "That the Council should be called upon to entrust the examination of the scope of Article XVIII. of the Covenant, from a legal point of view, to a special Committee, which would prepare for the Council all relevant proposals. The Council would then report on the question to the next General Assembly, and place before it the proposals of the special Committee."

152. On the same day, on the proposal of Lord Robert Cecil, two Resolutions were adopted, one requesting the Council to take into consideration the means of securing greater publicity for their proceedings, and the other in favour of the immediate publication of papers in regard to the dispute between Poland and Lithunia.

153. These motions were presented in the course of the debate on the General Report on the work of the Council (Item No. 6 on the agenda), which covered the whole field of the Council's activities during the year. But Mr. Barnes secured a special debate, on 4th December, on a motion which, however, he did not press to a division, upon the subject of the Council's attitude in regard to the hostilities between Poland and Soviet Russia.

154. Interesting pronouncements were made at different times by the representatives of Japan and China on the subject of the policies of those countries in connection with the League.

On 30th November Viscount Ishii recalled Japan's desire, at the time when the Covenant was framed, to see the equality of individuals before the law established as a world principle irrespective of nationality, race or religion. The Japanese delegates to the Peace Conference had declared that they would continue to press for the adoption of this principle by the League in future ; but Viscount Ishii announced that Japan refrained from making any concrete proposal during that session of the Assembly as to equal opportunity and treatment, as she was persuaded that for the present precedence must be given to the consolidation of the League on the basis of the existing Covenant. The relevant extract from Viscount Ishii's speech is printed in Appendix V. (Annex 5).

155. On 18th December Mr. Wellington Koo made a declaration on behalf of his Government, reserving China's right, and stating her intention, to bring before either the Assembly or the Council (of which China is now a Member) several subjects of vital interest to herself, affecting international relations, which she had refrained from bringing before the Assembly during its first session while its attention was being devoted to perfecting the organisation of the League. This declaration is printed in Appendix V. (Annex 6), and has, no doubt, primary reference to the question of Shantung.

156. It remains to notice the action of the Assembly in regard to the position in Armenia. The subject was raised during the debate on the General Report on the work of the Council by Lord Robert Cecil, who gave notice of a motion to request action on the part of the Council with a view to establishing a permanent settlement of that country. This was debated on the 22nd November, and M. Viviani (France) proposed that steps be taken at once to mediate between Armenia and the Kemalists. Ultimately a Resolution was adopted which both invited the Council to consult Governments with a view to entrusting some Power with the task of taking necessary measures to stop the hostilities between Armenia and the Kemalists, and proposed the appointment of a special Committee of six members to consider and report to the Assembly what steps could be taken to put an end to these hostilities (*see* Appendix II., Resolution No. 4). This Resolution was carried unanimously, though Mr. Balfour had expressed grave scepticism as to the possibility of conducting negotiations with a chief like Kemal.

157. On 25th November the Council accordingly telegraphed to the Governments of the States of the League and to the United States of America in the following terms, after reciting the first part of the above Resolution :—

> " The Council begs your Government to state whether it will be disposed, either alone or conjointly with others, to undertake, on behalf of the League of Nations, this great humanitarian mission—a mission which, moreover, entails no obligation of a permanent nature. The Council would be grateful to receive your reply if in the affirmative as soon as possible, so that it may be communicated to the Assembly before the end of the present session."

The President of the United States replied on 1st December that he would use his good offices and was willing to offer his personal mediation ; the Government of Spain replied that they would co-operate in any steps of a moral and diplomatic nature, and the Government of Brazil also offered co-operation. The reply of the British Government (with which the Government of India associated itself) suggested that Armenia, where it was reported that a Soviet Government had now been installed, might perhaps have already anticipated matters by arranging for peace with either or both of her neighbours (Russia and the Kemalists), and that His Majesty's Government was not willing to accept any independent mission, but would lend moral and diplomatic support to the President of the United States of America.

158. In accordance with the second part of the Assembly's Resolution of 22nd November, a Committee was appointed, consisting of the following delegates : Lord Robert Cecil, M. Lafontaine (Belgium), Dr. Nansen (Norway), M. Pueyrredon (Argentina), M. Schanzer (Italy), and M. Viviani (France). The Report of the Committee (Appendix III., Annex 16), was presented to the Assembly on 18th December by M. Lafontaine : they had little to say, but suggested that the Council should appoint a permanent Committee, and that the latter should carry on work in the direction of providing the Armenians with the means of helping themselves. On the other hand, M. Jonnesco (Rumania) proposed an international expeditionary force of 40,000 men to re-establish peace and order in Armenia. In the end the Assembly passed a colourless Resolution (Appendix II., Resolution No. 33), and the question of further action was left to the Council.

Concluding Remarks.

159. Looking back on the work of the Assembly as a whole, we think that, as claimed for it by Mr. Balfour in the House of Commons, it has been of much value. The Assembly was bound to disappoint the expectations of those impatient idealists who thought it would usher in a new era, and what it was able to do in respect of the limitation of armaments fell short of more moderate expectations. Account has, however, to be taken of the atmosphere of mutual suspicion to which this question still gives rise, of the still disturbed state of the world, and of the facts that the disarmament of Germany is not yet fully accomplished, and that Russia and the United States are outside the League and untrammelled by any decisions it may take with reference to its own Members. But leaving this aside, the Assembly made very considerable progress, in an unostentatious way, towards fulfilling the intentions with which the League was called into existence, and what it accomplished paves the way for further and faster progress hereafter.

160. It has to its special credit the final establishment of the Permanent Court of International Justice at The Hague. It has established important technical organisations to deal with communications and transit, and health, and has endorsed generally the action taken by the Council to render more effective the decisions arrived at in the Brussels Financial Conference. It has fixed its rules of procedure, and defined the relations between itself and the Council in a way which will, at any rate, suffice at the outset. It has set on foot machinery for obtaining amendments to the Covenant where these may be found necessary. It has taken measures to expedite the consideration of the adequate carrying out of the economic blockade contemplated by the Covenant in the case of a Covenant-breaking State ; and it has put forward an opinion in regard to the limitation of expenditure on armaments to that accepted by the various States for the coming financial year, which must, at any rate, carry weight. It has emphasised the necessity for an international campaign against

typhus and cognate diseases in Eastern Europe, and for the relief of children in war areas. It has arranged for international action under the League in respect of the carrying out of the Hague Convention for the control of opium and other harmful drugs, and in respect of the " white slave " traffic. It made a praiseworthy, though somewhat hopeless, attempt to deal with the difficulties of Armenia ; and in admitting new Members to the League it has, with the general assent of the British Empire Delegations, included two *ex*-enemies, Austria and Bulgaria. Lastly, it has asserted the control of the Assembly in matters of League finance, and it has taken measures—excellent in themselves, though we of the Indian Delegation do not consider them fully adequate—for the establishment of economy and method in the expenditure of the League, and for a revision of the present unsatisfactory system under which the League expenses are distributed among the Member-States.

161. One very significant fact which struck us was that when the Assembly met the delegates, for the most part strangers to one another, were mutually suspicious, and looked entirely to the interests of their own States. But before the Assembly concluded, there was the beginning of what may be called an Assembly consciousness, delegates realising that they had a duty to the world at large as well as to their own country. If, as will probably be the case, the majority of the delegates to the recent Assembly are also members of the next, and consequently meet with mutual knowledge, this tendency will rapidly develop. It will also be stimulated by what is likely to be a feature of the future, the further assertion by the Assembly, as the democratic element in the League, of claims as against what may come to be regarded as the oligarchic pretensions of the Council. It is significant, too, that in electing representatives of " secondary " States to the Council, the Assembly adopted the view that one of the four should be taken from outside Europe and America, and in pursuance of this policy selected China.

162. As regards the part played by India in the Assembly, our effort to obtain a reconsideration of the Council's decision declining to take early action on India's appeal for immediate representation, as a great industrial Power, on the Governing Body of the Labour Organisation, met with failure, Committee No. II. and the Assembly holding, as they were justified in doing on technical grounds, that the matter was not one in which they could interfere with the prerogatives of the Council. But we attracted universal attention to the danger, which the present constitution of this Governing Body exemplifies, of the undue predominance of Europe in bodies which deal with matters affecting the world at large, and we rendered it practically impossible that the constitution of the Labour Governing Body should be repeated on other Standing Committees. In fact, as has been brought to notice in dealing with these, we obtained a definite pronouncement that the members of the Advisory Committees on Health and Transit should be selected *inter alia* with reference to geographical considerations.

163. Our attitude and attainment in respect of questions of League finance, where we took a leading part, have been summarised in para. 114, and though, as there stated, we did not achieve all that we wished, we can claim that but for us the financial reforms which have been effected would have been of a far less important character. In dealing with this matter, we were, as has been stated, efficiently supported by the Dominions, and our relations with the Dominions' delegates throughout were of a very cordial nature. This fact may, it is hoped, bear fruit hereafter when questions arise as regards India's relations with the Dominions in such matters as emigration.

164. We were also on most cordial terms with the British Delegation, and were every now and then indebted to Mr. Balfour for kindly and useful advice. The absolute independence of India, as of the Dominions, in regard to her attitude and voting on questions coming before the Assembly and its Committees was fully recognised ; but, like the Dominions, we felt that when our own interests were not directly or indirectly concerned we should endeavour to keep step with the mother country, and there were frequent informal meetings to this end between the various Empire Delegations.

165. To conclude, we venture to think that the remark made in the *Times* review of the events of 1920, that at the Assembly of the League of Nations at Geneva the Indian Delegation took such a share in the discussions as showed that India had become an influential participant in the councils of the world,

was in accordance with actual facts ; and we have the satisfaction of feeling that we three representatives of India worked together in the most cordial and harmonious way, and that there was not the least difference of opinion between us on matters of any importance.

W. S. MEYER.

RANJITSINHJI OF NAWANAGAR.

MD. ALI IMAM.

LONDON,
10th January 1921.

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APPENDIX I.

List of States represented and of their Delegates. (Many Delegations were also accompanied by Substitute Delegates other than those mentioned in this List and numerous Expert Advisers.)

ARGENTINA	M. H. Pueyrredon (Minister of Foreign Affairs). M. M. T. de Alvear (Argentine Minister in Paris). M. Fernando Perez (Argentine Minister in Vienna).
AUSTRALIA	Senator the Hon. Edward Davis Millen (Minister of Repatriation).
BELGIUM	M. Paul Hymans (former Minister of Foreign Affairs, Minister of State, Belgian Representative on the Council of the League of Nations). M. P. Poullett (former President and Member of the House of Representatives). M. H. Lafontaine (Senator, President of the Union of International Associations, Vice-President of the Senate).
BOLIVIA	M. Félix A. Aramayo. M. Florián Zambrana. M. Franz Tamayo.
BRAZIL	M. Rodrigo Octavio (Under Secretary of State for Foreign Affairs). M. Gastao Da Cunha (Brazilian Ambassador to the French Republic, Brazilian Representative on the Council of the League of Nations). M. Raul Fernandes (Member of the Federal House of Representatives, former Plenipotentiary to the Peace Conference).
BRITISH EMPIRE	The Right Hon. A. J. Balfour, O.M., M.P. The Right Hon. H. A. L. Fisher, M.P. The Right Hon. G. N. Barnes, C.H., M.P.
CANADA	The Right Hon. Sir George E. Foster, G.C.M.G., M.P. (Minister of Trade and Commerce). The Right Hon. Charles Joseph Doherty, K.C., M.P. (Minister of Justice and Attorney-General). The Hon. Newton Wesley Rowell (former President of the Privy Council).
CHILE	M. Antonio Huneeus (former Minister of Foreign Affairs, former Minister of Justice and Education, former Member of the Chamber of Deputies). M. Manuel Rivas-Vicuña (Envoy Extraordinary and Minister Plenipotentiary, former State Councillor, former Prime Minister and Minister of Finance, former Member of the Chamber of Deputies). M. Francisco Subercaseaux (Minister Resident, former Governor of Santiago).
CHINA	M. Vikyuin Wellington Koo (Envoy Extraordinary and Minister Plenipotentiary of China in Washington and recently appointed Chinese Minister in London). M. Tang Tsai-Fou (Envoy Extraordinary and Chinese Minister Plenipotentiary at The Hague). M. Sun-Tchou Wei (Chinese Minister at Brussels).
COLUMBIA	Dr. Francisco José Urrutia (Envoy Extraordinary and Minister Plenipotentiary in Switzerland and Spain). Dr. Antonio José Restrepo (Attorney Councillor of the Columbian Legation in Berne).
CUBA	Dr. Aristides De Aguero y Bethancourt (Envoy Extraordinary, Minister Plenipotentiary in Germany). Dr. Rafael Martinez Ortiz (Envoy Extraordinary, Minister Plenipotentiary in France). Dr. Ezequiel Garcia Enseñat (Envoy Extraordinary and Minister Plenipotentiary in Italy).
CZECHO-SLOVAKIA	M. Edouard Benes (Minister of Foreign Affairs). Dr. S. Osusky (Minister in France). Dr. Cyrill Dusek (Minister in Switzerland).
DENMARK	M. Herluf Zahle (Envoy Extraordinary and Minister Plenipotentiary of H. M. the King of Denmark in Stockholm). M. L. Moltesen (Ph.D., Member of Parliament). M. P. R. Munch (Ph. D., former Minister of National Defence, Member of Parliament).
FRANCE	M. Léon Bourgeois (President of the Senate, French Representative on the Council of the League of Nations). M. René Viviani (Member of the Chamber of Deputies, former Prime Minister). M. Gabriel Hanotaux (Member of the French Academy, former Minister of Foreign Affairs).
GREECE	M. Nicholas Politis (Minister of Foreign Affairs). M. Michel Kebedgy (Minister in Berne). M. Demetrius Caclamanos (Minister in London, replaced by M. Panas, Minister of Greece at Prague, former Minister of Foreign Affairs).
GUATEMALA	Licenciado don Manuel Valladares (Minister in France, former Vice-President of the Chamber of Representatives). Dr. don Manuel Arroyo (Minister in London). Don Julio Herrera (Confidential Agent of the Government of Guatemala in France).
HAITI	M. Auguste Bonamy. M. Frédéric Doret.
INDIA	Sir William Stevenson Meyer, G.C.I.E., K.C.S.I. His Highness Maharaja Jam Shri Ranjitsinhji Vibhaji, G.B.E., K.C.S.I. (Maharaja Jamsaheb of Nawanagar). Sir Saiyid Ali Imam, K.C.S.I.
ITALY	M. Tommaso Tittoni (President of the Senate, Minister of State, Ambassador, Italian representative on the Council of the League of Nations). M. Enrico de Nicola (President of the Chamber of Deputies). M. Ivane Bonomi (Minister of War, Member of the Chamber of Deputies). *Substitutes* :—M. Carlo Schanzer (Senator, Vice-President of the State Council, former Minister). M. Bortolo Belotti (Member of the Chamber of Deputies, former Under Secretary of State). M. Maggiorino Ferraris (Senator, former Minister).

JAPAN	Baron G. Hayashi (Japanese Ambassador to Great Britain). Viscount K. Ishii (Japanese Ambassador to the French Republic, former Minister of Foreign Affairs). Baron T. Megata (Member of House of Peers).
LIBERIA	Baron R. A. L. Lehmann (Chargé d'Affaires in Paris). M. N. Ooms (Secretary Chancellor of Legation).
NETHERLANDS	Jonkheer H. A. van Karnebeek (Minister of Foreign Affairs). Jonkheer J. Loudon (Envoy Extraordinary, Minister Plenipotentiary in Paris, former Minister of Foreign Affairs). M. D. Fock (Governor-General Designate of the Dutch Indies, former Minister of Colonies). *Substitutes* :—M. A. A. H. Struycken (Member of the State Council, Member of the Permanent Court of Arbitration). M. B. C. J. Loder (Member of the Supreme Court at The Hague). Jonkheer W. J. M. van Eysinga (Professor of Law at the University of Leydon).
NEW ZEALAND	Colonel the Hon. Sir James Allen, K.C.B. (High Commissioner).
NICARAGUA	M. Carlos A. Villanueva.
NORWAY	Dr. F. Hagerup (former Prime Minister, Envoy Extraordinary, Minister Plenipotentiary at Stockholm). M. O. Blehr (former Prime Minister, Governor of Christiania). Dr. Fridtjof Nansen (Professor at the University of Christiania).
PANAMA	Don Narciso Garay (Envoy Extraordinary and Minister Plenipotentiary, former Secretary for Foreign Affairs). Dr. Don Harmodio Arias (Envoy Extraordinary and Minister Plenipotentiary, Member of Permanent Court of Arbitration at The Hague).
PARAGUAY	Dr. Héctor Velázquez (Envoy Extraordinary and Minister Plenipotentiary of Paraguay).
PERSIA	His Highness Prince Arfaed Dowleh (former Minister of Justice and former Ambassador). Emir Zoka-ed-Dowleh (Envoy Extraordinary and Minister Plenipotentiary in Switzerland).
PERU	Don Anselmo V. Barreto (Envoy Extraordinary and Minister Plenipotentiary in Spain). Don Eleodoro Eomero (former Minister of Justice, former Dean of the Law Faculty of Lima). M. Francisco Garcia Calderon (Envoy Extraordinary and Minister Plenipotentiary in Belgium).
POLAND	M. L. J. Paderewski (Member of the Chamber of Deputies, Minister Plenipotentiary, former Prime Minister and former Minister of Foreign Affairs). Professor S. Askenazy (Minister Plenipotentiary),
PORTUGAL	M. Affonso Costa (former President of the Council). M. Joâo Chagas (former President of the Council, Minister Plenipotentiary of Portugal in France). Colonel Freire de Andrade (former Minister of Foreign Affairs).
ROUMANIA	M. N. Titulesco (Minister of Finance, replaced by Dr. Dimitrie Jancovici, Doctor of Law). Professor Thomas Jonnesco (Member of Parliament, former Rector of the University of Bucarest). M. Negulesco (Professor of Law of the University of Bucarest).
SALVADOR	Dr. J. Gustavo Guerrero (Minister in Spain and Italy). Don Pedro-Jaime Matheu (Chargé d'Affaires in France). Don Arturo R. Avila (Chargé d'Affaires in Great Britain).
SERB-CROAT-SLOVENE STATE.	Dr. Miroslav Spalaïkovitch (Envoy Extraordinary and Minister Plenipotentiary). Dr. Ivan Zogler (Professor of Law, Ljubljana). Dr. Ladislas Politch (Vice-Rector of the University of Zagreb).
SIAM	His Highness Prince Charoon (Minister in Paris). Phya Buri Navarasth (Minister in London). Phya Bibhad Kosha (Minister in Rome).
SOUTH AFRICA	Sir Reginald Blankenberg, K.B.E. (High Commissioner for the Union of South Africa). The Right Hon. Lord Robert Cecil, K.C., M.P.
SPAIN	Marquis de Lema (Minister of Foreign Affairs). M. Quiñones de Léon (Ambassador in Paris, Spanish Representative on the Council of the League of Nations). M. Emilio de Palacios (Envoy Extraordinary and Minister Plenipotentiary, Under Secretary of State for Foreign Affairs).
SWEDEN	M. Branting (former Prime Minister). Baron Marks de Wurtemberg (Doctor of Laws, former Judge of the Supreme Court, former Minister). M. Trygger (Doctor of Laws, Senator, former Judge of the Supreme Court).
SWITZERLAND	M. Giuseppe Motta (President of the Swiss Confederation). M. Gustave Ador (former President of the Swiss Confederation). M. Paul Usteri (Member of the Council of State).
URUGUAY	Dr. Juan Carlos Blanco (Minister in France). M. Benjamin Fernandez y Medina (Minister in Spain).
VENEZUELA	Dr. Manuel Diaz Rodriguez (former Minister of Foreign Affairs). Dr. Santiago Key-Ayala (Councillor of the Legation in Switzerland). Dr. Diogenes Escalante (former Member of the Chamber of Deputies).

APPENDIX II.

Resolutions and Recommendations adopted by the Assembly in the course of its First Session.

(NOTE.—The numeration and wording which follow are not necessarily those which may be ultimately adopted.)*

No.	Date.	RESOLUTIONS.
		PUBLICITY OF ASSEMBLY COMMITTEES' PROCEEDINGS.
1	16 Nov. 1920	The Committees shall keep a record of their deliberations and a Procès-Verbal, which shall be published as soon as possible and shall always be accessible to a Member of the Assembly.
		VICE-PRESIDENTS OF THE ASSEMBLY.
2	16 Nov. 1920	There shall be 12 Vice-Presidents. Each Committee shall nominate its own Chairman. These Chairmen will be Vice-Presidents of the Assembly. The Assembly will elect by secret ballot six other Vice-Presidents.
		SUBSTITUTES IN COMMITTEE.
3	16 Nov. 1920	In addition to the right conferred upon delegates to appoint substitutes in the Assembly, the Delegations may, in the case of Committees, appoint substitutes who have no seat in the Assembly, but such a substitute could not be nominated President or Rapporteur, and would not have the right to a seat in the Assembly.
		SITUATION IN ARMENIA.
4	22 Nov. 1920	The Assembly, anxious to co-operate with the Council, in order to put an end in the shortest time possible to the horrors of the Armenian tragedy, requests the Council to arrive at an understanding with the Governments, with a view to entrusting a Power with the task of taking the necessary measures to stop the hostilities between Armenia and the Kemalists, and The Assembly further decides to nominate a Committee of six members to consider and report to the Assembly during this session the steps, if any, which can be taken for this object.
		POLAND AND LITHUANIA.
5	23 Nov. 1920	That any statements of their case made by Poland and Lithuania, together with all the relevant facts and papers, be forthwith published.
		PUBLICITY FOR COUNCIL'S PROCEEDINGS.
6	23 Nov. 1920	That the Council be requested to take into consideration the means for securing greater publicity for their discussions and decisions.
		INTERNATIONAL COMMITTEE OF THE RED CROSS.
7	23 Nov. 1920	The Assembly of the Nations wishes to express its admiration and gratitude to the International Committee of the Red Cross, for the efforts they have made on behalf of the prisoners of war, and it has the greatest pleasure in acknowledging the importance of the services rendered by the eminent ex-President of the Swiss Conferation, M. Gustav Ador, and by Dr. Nansen, to this organisation and to the cause of humanity.
		REGISTRATION OF TREATIES.
8	23 Nov. 1920	That the Council should be called upon to entrust the examination of the scope of Article XVIII. of the Covenant, from a legal point of view, to a special Committee, which would prepare for the Council all relevant proposals. The Council would then report on the question to the next Assembly, and place before it the proposals of the special Committee.
		RULES OF PROCEDURE FOR THE ASSEMBLY OF THE LEAGUE OF NATIONS.
9	30 Nov. 1920	The Assembly of the League of Nations, after having examined the Draft Rules of Procedure presented by the First Committee, and having heard the Report made by the Rapporteur of the Committee, Signor Ferraris, Representative of Italy, has resolved that these Draft Rules of Procedure, as amended by the Assembly,† be hereby adopted as the Rules of Procedure for the Assembly of the League of Nations.

* *See* Rule 24 of Rules of Procedure (Appendix V., Annex 1).

† For final text of the Rules as adopted by the Assembly, *see* Appendix V., Annex 1.

No.	Date.	RESOLUTIONS.

PROPOSED AMENDMENTS TO THE COVENANT OF THE LEAGUE OF NATIONS.

10 — 2 Dec. 1920 — The Assembly of the League of Nations decides—

(*a*) That the amendments to the Covenant proposed by the Danish, Norwegian, and Swedish Governments shall, at this moment, not be taken into consideration by the Assembly, and

(*b*) That the Council be invited to appoint a Committee to study the said proposals of amendments together with any which may be submitted by a Member of the League within a period to be fixed by the Council.

This Committee shall report to the Council, who shall place the conclusions before the Assembly at its next session.

11 — 6 Dec. 1920 — That the motion proposed by the Argentine Delegation and the motion proposed by Mr. Doherty, of the Canadian Delegation, shall not be considered during the present session of the Assembly and shall be referred to the Committee appointed by the Council to deal with amendments to the Covenant.

TYPHUS IN POLAND.

12 — 7 Dec. 1920 — The Assembly resolves—

To address an urgent and immediate appeal to all the countries of the world for an adequate fund for prosecuting an effective campaign against epidemic disease in Eastern Europe, beginning with Poland as a centre, and that the Office International d'Hygiène Publique, the Comité International de la Croix Rouge and the League of Red Cross Societies, be earnestly asked to co-operate in the matter.

That the President be empowered to nominate a Committee of not more than three delegates of the Assembly to examine the question of the funds necessary for the campaign against Typhus and to take any steps possible before the end of the session of the Assembly to secure these funds.

The Assembly approves of the action taken by the Council and the Reports submitted by the various Committees and sub-Committees of the Assembly which have considered the subject, and pending the result of the appeal feels that it is imperatively necessary to make at once such a beginning of the campaign as may be possible within the limits of the funds already promised.

RELATIONS BETWEEN THE COUNCIL AND THE ASSEMBLY.

13 — 7 Dec. 1920 — The Assembly of the League of Nations decides unanimously to adopt, subject to certain amendments* to paras. II. and X., the Report of Committee I. on the relations between, and respective competence of, the Council and the Assembly.

RELATIONS OF TECHNICAL ORGANISATIONS TO COUNCIL AND ASSEMBLY.

14 — 9 Dec. 1920 — *See* Appendix III. (Annex 5).

ECONOMIC AND FINANCIAL PROBLEMS.

15 — 9 Dec. 1920 — First Resolution : The Assembly recognises the necessity of an Advisory Economic and Financial Committee and adopts as a consequence the following Resolution :—

In order that the League of Nations may proceed without interruption with the working out of measures of an economic and financial nature which shall be submitted for adoption by Members of the League in accordance with the Covenant of the League, an Advisory Economic and Financial Committee shall be constituted. As soon as this Committee is constituted, it shall replace the provisional technical economic and financial Committee appointed by the Council.

The Council of the League of Nations may summon an Economic and Financial Conference to consider economic and financial problems as circumstances may require, with power to constitute the Advisory Economic and Financial Committee above referred to.

In the regulations to be prepared by the Council for the holding of the Conference, due regard shall be paid to the general principles governing the relations between the technical organisations of the League and the Council, and also to the general provisions that may be adopted for the other organisations, at the same time making such modifications as may be required in view of the object for which the Conference is being called.

Second and Third Resolutions. *See* Appendix III. (Annex 5).

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* *See* our Report, para. 17.

No.	Date.	RESOLUTIONS.

COMMUNICATIONS AND TRANSIT.

16 — 9 Dec. 1920 — 1. The Members of the League of Nations are hereby invited to send special representatives to a General Conference on Freedom of Communications and Transit, to meet at Barcelona as soon as possible after the meeting of the Assembly. This Conference shall be invited to :—

(1) Draw up, under conditions laid down in the Resolution regarding the relations between the Technical Organisations and the Council and the Assembly of the League of Nations, the measures which may be taken by the Members of the League in fulfilment of that part of Article XXIII. (*e*) of the Covenant which concerns freedom of communications and transit, as well as the General Convention on the international regime of transit, of ports, of waterways and of railways referred to in Articles 338 and 379 of the Treaty of Versailles.

(2) Determine under the same conditions whether the measures which it elaborates should take the form of Draft Conventions to be ratified by the Members of the League or of "recommendations" to the various Governments, or of Draft Resolutions to be adopted by the Assembly of the League.

(3) Regulate its own procedure and make suitable arrangements for any subsequent meetings which may be called by the Council by means of special rules and regulations to be adopted by two-thirds of the representatives of the Members of the League.

(4) Hold its subsequent meetings convened by the Council of the League of Nations at Geneva, unless the Council of the League decides otherwise for special and exceptional reasons.

II. The Conference shall likewise be invited to organise an Advisory Committee, the headquarters of which shall be at Geneva. This Committee shall be a consultative and technical body to consider and propose measures calculated to assure freedom of communications and transit at all times, and to assist the Council and Assembly of the League in discharging the functions entrusted to the League by Article XXIV. of the Covenant and by Articles 342, 377 and 378 of the Treaty of Versailles, and the corresponding Articles in the other Treaties.

The Committee may arrange for any future Conference and prepare its agenda ; it will exchange all requisite information concerning communications and transit with the appropriate technical Ministries of the Members of the League ; it will be entrusted with the investigation of any disputes which may be referred to the League under Articles 336, 376 and 386 of the Treaty of Versailles, and corresponding Articles in the other Treaties of Peace, and will endeavour to adjust such disputes whenever possible by conciliation between the parties ; in the event of such disputes being brought before the Permanent Court of International Justice, the Committee may be called upon to assist the Court.

III. The Secretary-General of the League of Nations will render every possible assistance to the General Conference and to the Committee ; he will, with the assistance of the existing Committee of Enquiry on Freedom of Communications and Transit, take the necessary measures for the meetings of the Conference, and he will designate members of the International Secretariat to act as Secretaries of the Conference and of the Advisory Committee.

IV. The general expenses of the Conference and of the Committee, and the travelling and subsistence allowances of the members of the Committee only, shall be defrayed out of the general funds of the League.

SETTLEMENT OF CERTAIN DISPUTES UNDER TREATY OF VERSAILLES.

17 — 9 Dec. 1920 — *See* Appendix III. (Annex 5) under "Jurisdiction on Communications and Transit."

COMPOSITION OF TRANSIT AND COMMUNICATIONS ADVISORY COMMITTEE.

18 — 9 Dec. 1920 — This Committee will be composed of members appointed by the Members of the League represented permanently on the Council, one representative for each of those Members, together with members to be appointed as determined by the Conference, taking into account as far as possible technical interests and geographical representation. The total number of members of the Committee shall not exceed one-third of the Members of the League.

No.	Date.	RESOLUTIONS.

HEALTH ORGANISATION.

19 10 Dec. 1920 . In pursuance of the Covenant of the League of Nations, and in order to facilitate the discharge by the League of Nations of the responsibilities which may be placed upon it by provisions of the various Treaties of Peace, the Assembly of the League of Nations resolves as follows :—

That in accordance with the provisions of Article XXIV. of the Covenant, the Assembly approves of the Office International d'Hygiène Publique being placed under the direction of the League of Nations and that an International Health Organisation as hereinafter provided (of which the Office International d'Hygiène Publique shall be the foundation) shall carry out the provisions of the International Agreement signed at Rome, 9th December 1907, and also advise the League of Nations on all questions arising out of Article XXIII. (*f*) and XXV. of the Covenant.

Functions of the Organisation.

The main functions of the organisation may be summarised under the headings which follow, and their exercise shall be determined by the Standing Committee :—

(*a*) To advise the League of Nations in matters affecting health.

(*b*) To bring administrative Health Authorities in different countries into closer relationship with each other.

(*c*) To organise means of more rapid interchange of information on matters where immediate precautions against disease may be required (*e.g.*, epidemics) and to simplify methods for acting rapidly on such information where it affects more than one country.

(*d*) To furnish a ready organisation for securing or revising necessary international agreements for administrative action in matters of health, and more particularly for examining those subjects which it is proposed to bring before the Standing and General Committees, with a view to International Conventions.

(*e*) In regard to measures for the protection of the worker against sickness, disease and injury arising out of his employment which fall within the province of the International Labour Organisation, the International Health Organisation will co-operate with and assist the International Labour Organisation, it being understood that the International Labour Organisation will on its side act in consultation with the International Health Organisation in regard to all health matters.

(*f*) To confer and co-operate with international Red Cross Societies and other similar societies, under the provisions of Article XXV. of the Covenant.

(*g*) To advise, when requested, other voluntary organisations in health matters of international concern.

(*h*) To organise missions in connection with matters of health at the request of the League of Nations and with the concurrence of the countries affected.

The permanent International Health Organisation shall consist of :—(1) the Office International d'Hygiène Publique, which, with certain additions set out below, will become the General Committee ; (2) a Standing Committee ; and (3) an International Health Bureau. In carrying out its duties the organisation shall conform to the general principles laid down in the Resolution of the Council, as to the relations between the Technical Organisations and the Council and the Assembly of the League of Nations, passed at Rome, 19th May 1920.

The Office International d'Hygiene Publique.

The Office International d'Hygiène Publique changed as indicated below shall, subject to the approval of the Government signatory to the International Agreement signed at Rome, 9th December 1907, form part of the new International Health Organisation. The headquarters of the Office International d'Hygiène Publique shall remain in Paris.

Members of the General and Standing Committees and of the staff of the International Health Bureau shall have the right to use the Library of the Office International d'Hygiène Publique and its rooms in Paris shall be available for special meetings if required.

No.	Date.	RESOLUTIONS.
19	10 Dec. 1920 —*contd.*	The Office International d'Hygiène Publique shall undertake such duties of a technical character as may be assigned to it by the Standing Committee in accordance with the Resolution agreed to by the Committee of the Office International d'Hygiène Publique at the meeting held in Paris on 30th October 1919.
		The Office International d'Hygiène Publique will, subject to the consent of the Government signatory to the International Agreement signed at Rome, 9th December 1907, agree to such alterations as may be found necessary in the "Statuts Organiques" of the Rome Convention of 1907 (especially Article 15) and in the Rules governing the internal administration of the Office, especially Article 8 of Part I of these Rules, but no alteration shall be made in Part II. with regard to the "Caisse des Retraites et de Secours," which is prejudicial to any person entitled to benefit therefrom.
		The General Committee.
		The General Committee shall consist of the delegates to the Office International d'Hygiène Publique now holding appointments in accordance with the International Agreement signed at Rome, 9th December 1907, or who may hereafter be so appointed by any country party to that Agreement, together with delegates appointed by countries not parties to the Agreement of 1907 but members of the League of Nations.
		The General Committee shall meet at least once a year at the headquarters of the Office International d'Hygiène Publique in Paris. In cases of emergency the Council may convene the General Committee for an extraordinary session.
		The General Committee shall appoint its own President, regulate its own procedure, and may at any time appoint sub-committees to consider any special question. Any delegate may at any time call in the assistance of technical advisers, but the advisers shall not vote.
		A delegate, however, who during the progress of a session may for any reason be unable to attend any particular meeting, may, by notice in writing addressed to the President, appoint an adviser to act as his deputy, and this adviser while so acting shall be allowed to vote.
		The Standing Committee.
		The Standing Committee shall elect its own Chairman and regulate its own procedure, but shall meet not less than four times a year, and may in addition at any time be called to deal with questions requiring urgent consideration. It shall be empowered to form sub-committees and to call in technical advisers on special points, but these advisers shall have no voting power.
		Full reports of the Proceedings of the Standing Committee and of all sub-committees shall be submitted to the General Committee and to the Secretary-General of the League of Nations through the Medical Secretary.
		The Chairman and Members of the Standing Committee shall hold their appointments for three years only, but shall be eligible for reappointment or re-election.
		The International Health Bureau or Personnel of the Standing Committee at the Seat of the League of Nations.
		This shall consist of (*a*) a Medical Secretary; (*b*) personnel.
		The Medical Secretary shall be appointed by the Standing Committee in consultation with the Secretary-General, and shall be responsible to this Committee for the efficient working of the International Health Bureau, and for any other duties that may be assigned to him by the Standing Committee. He shall have the right of direct access to the Secretary-General of the League of Nations, and shall be empowered to have direct communication with all Government Health Offices.
		He shall be entitled to attend all meetings of both Standing and General Committees, and shall be a member *ex-officio* of all Committees and sub-committees.
		Subject to the approval of the Council of the League, the personnel of the International Health Bureau at the seat of the League of Nations shall be appointed by the Standing Committee in consultation with the Medical Secretary, and, as far as possible with due regard to the efficiency of the work of the office, shall consist of persons of different nationalities.
		The headquarters of the International Health Bureau shall be at the seat of the League of Nations.

No.	Date.	RESOLUTIONS.

Conventions.

19 10 Dec. 1920 —*concld.*

The Standing Committee shall be empowered to draw up any draft new Conventions or revise existing ones.

These Conventions must, however, be sumbitted to the General Committee for consideration and approval, and a majority of two-thirds of the votes of the General Committee will be required on the final vote for the adopting of the draft Convention.

In framing any Convention the Committee shall in all cases consult with the Economic and Transit Organisations of the League of Nations where the matter is in any way likely to affect International Commerce, Communications or Transit. If it be decided that the draft Convention shall be adopted, it shall be signed by the President of the General Committee and the Medical Secretary of the International Health Bureau, and then be deposited with the Secretary-General. This Draft Convention will be submitted by the Council of the League of Nations to the Governments concerned with an invitation that if they approve the Convention, the Convention should, within as short a time as possible, and without further examination, be signed by plenipotentiaries.

Each country undertakes to ratify a draft Convention thus signed and deposited before one year has passed, or to signify to the Secretary-General, before the expiration of that period, its decision not to ratify and the reasons for that decision, and each member of the General Committee undertakes himself to keep the question of the draft Convention before the Authority within whose competence the matter lies, with the object of obtaining a decision as soon as possible from the country which he represents.

Any Convention so ratified shall be registered by the Secretary-General of the League of Nations, but shall only be binding upon the country which ratifies it.

Each member of the General Committee agrees to make special or annual reports on the measures the country he represents has taken to give effect to the promises of the Convention to which it is a party, and these reports shall be made when and in such form as the Standing Committee may prescribe. Similar reports shall be requested from countries not signatory to the Convention concerned on matters affecting the subject-matter of the Convention.

These reports shall be circulated to all members of the General Committee, and shall in addition be given publicity in the Press if necessary.

Expenses.

The expenses of the International Health Organisation, so far as they are not covered by the International Agreement signed at Rome, 9th December 1907, shall be paid from the funds of the League.

The Medical Secretary of the International Health Bureau shall prepare in advance an annual statement of all the ordinary expenditure for submission to the Standing Committee, whose duty it will be to recommend sanction for the proposed expenditure to the Council of the League of Nations through the medium of the Secretary-General. Extraordinary expenses shall be submitted by the Medical Secretary to the Standing Committee, which will present the same as a matter of urgency to the Council of the League of Nations through the medium of the Secretary-General.

The Medical Secretary shall be responsible to the Secretary-General of the League of Nations for the proper expenditure of all moneys paid to him, and shall submit to such audit as may be deemed desirable.

Until otherwise determined, the expenses of the Office International d'Hygiène Publique shall be paid as at present by contributions according to the apportionment of the International Agreement signed at Rome, 9th December 1907.

The Office International d'Hygiène Publique shall from time to time submit to such auditing of expenditure as may be deemed desirable by the Secretary-General of the League of Nations, in regard to any sums applied by the League to provide for the expenses noted above.

The Secretary-General of the League of Nations shall render all possible assistance to the Permanent International Health Organisation.

No.	Date.	RESOLUTIONS.
—	—	—
		COMPOSITION OF HEALTH STANDING COMMITTEE.
20	10 Dec. 1920	. The Standing Committee shall consist of delegates of the States permanently represented on the Council of the League of Nations, of five members elected by the General Committee—having regard to their scientific attainments and to geographical representation—of the President of the General Committee, of a representative of the League of Red Cross Societies and of a representative chosen by the Governing Body of the Labour Conference.
		ECONOMIC WEAPON.
21	13 Dec. 1920	. (*See* Appendix III. (Annex 13).
		THE DESIGNATION OF NON-PERMANENT MEMBERS OF THE COUNCIL.
22	11 Dec. 1920	. (1) The Mandates of Belgium, Brazil, Spain and Greece as Members of the Council, as provisionally conferred by Article IV., para. 1, sentence 3, of the Covenant will expire on 31st December 1920. (2) In execution of Article IV., para. 1, sentence 2, of the Covenant, the non-permanent Members of the Council shall, at the present session of the Assembly, be selected one at a time and by secret ballot for a period of one year. If no Member obtains at the first ballot an absolute majority of votes, a new ballot shall be taken, but on this occasion the voting shall be confined to the two Members who obtained the largest number of votes at the first ballot. If at this ballot the two Members obtain an equal number of votes, the President shall decide by lot. (3) The various proposals considered by the first Committee of the Assembly on the subject shall be sent to the Committee to be constituted by the Council for studying amendments to the Covenant, which shall report on them to the next Assembly.
		COURT OF INTERNATIONAL JUSTICE.
23	13 Dec. 1920	. (1) The Assembly unanimously declares its approval of the draft Statute* of the Permanent Court of International Justice—as amended by the Assembly—which was prepared by the Council under Article XIV. of the Covenant and submitted to the Assembly for its approval. (2) In view of the special wording of Article XIV. of the Covenant, the Statute of the Court shall be submitted within the shortest possible time to the Members of the League of Nations for adoption in the form of a protocol duly ratified and declaring their recognition of this Statute. It shall be the duty of the Council to submit the Statute to the Members. (3) As soon as this protocol has been ratified by the majority of the Members of the League, the Statute of the Court shall come into force and the Court shall be called upon to sit in conformity with the said Statute in all disputes between the Members or States which have been ratified, as well as between the other States, to which the Court is open under Article 35, para. 2, of the said Statute. (4) The said protocol shall likewise remain open for signature by the States mentioned in the Annex to the Covenant.
		ARMAMENTS.†
24	14 Dec. 1920	. (1) The Committee having received a report of Sir Cecil Hurst on the Convention for the Control of the Trade in Arms and Ammunitions which was signed at Saint Germain on 10th September 1919 by the United States of America, Belgium, Bolivia, the British Empire, China, Cuba, Ecuador, France, Greece, Guatemala, Haiti, Fiji, Italy, Japan and other Powers, and being greatly impressed by the value of this Convention as an instrument of civilisation, and by the evils which would ensue from its non-observance, are anxious that the signatory Powers should proceed without delay to ratification and to the establishment of the International Office of Control contemplated by the Convention. (2) The Committee note that the signatory Governments declared in a Protocol that it was contrary to the intention of the high contracting parties and to the spirit of this Convention that, pending the coming into force of the Convention, a contracting party should adopt any measure which is contrary to its provisions.

* *See* Appendix VI., Annex 1.

† The terms of Resolutions Nos. 24, 25, and 26 are those in which they were presented by Committee No. VI. to the Assembly. The Assembly adopted them *en bloc*.

No.	Date.	RESOLUTIONS.
24	14 Dec. 1920 —*contd.*	(3) The Committee note, however, that it has not been possible for the Powers to give full effect to their Protocol, and that up to the present time the Convention of Saint Germain has had no effect save upon the traffic in arms to the certain special areas specified in the Convention. The Committee would therefore urge that the Assembly should declare its high sense of the gain to civilisation which would ensue from a strict control of this traffic, and should invite the Council to urge upon all Governments without delay speedy ratification of, or adhesion to, the Convention.
25	14 Dec. 1920	Whereas the Covenant formally denounces the evil effects of the private manufacture of munitions and of war material, The Committee suggest that the Assembly should request the Council to invite the Commissions referred to in the following resolution to investigate without delay this serious problem. They also suggest that attention be given to the question as to whether the International Office of Control for the Traffic in Arms when erected could not also be utilised so as to obviate the evils arising from the private manufacture of arms to which reference is made in the Covenant.
26	14 Dec. 1920	The Committee, being convinced that the maintenance of peace demands the reduction of armaments, in accordance with the principles set forth in Article VIII. of the Covenant and in the preamble of Part V. of the Treaties of Peace of Versailles, Saint Germain and Neuilly, which declare that the disarmament of certain Powers signatory to those Treaties be provided for "in order to render possible the initiation of a general limitation of the armaments of all nations" and associating itself with the pronouncement of the Supreme Council on 8th March last that "in order to diminish the economic difficulties of Europe, armies should everywhere be reduced to a peace footing, that armaments should be limited to the lowest possible figure compatible with national security, and that the League of Nations be invited to examine proposals to that end without delay," and with the Resolution of the International Financial Conference at Brussels "recommending most earnestly to the Council of the League of Nations the desirability of conferring at once and agreeing with the several Governments concerned with a view to securing a general reduction of the crushing burdens which, on their existing scale, armaments still impose on the impoverished peoples of the world, sapping their resources and imperilling their recovery from the ravages of war," realising on the other hand that a complete and comprehensive scheme of disarmament depends upon the following conditions: firstly, under the responsibility of the Powers signatory to the Treaties of Peace, upon the complete fulfilment of the reduction of armaments imposed by the abovementioned Treaties upon certain of these Powers; secondly, upon the exercise, as occasion may demand, of the right of investigation accorded by these Treaties to the Council of the League of Nations, in order to maintain this reduction; and lastly, on the collaboration of the other great military Powers which have hitherto remained outside the League, invite the Council:— (*a*) To request the Permanent Advisory Commission for Military, Naval, and Air Questions rapidly to complete its technical examination into the present condition of armaments; (*b*) To instruct a temporary Commission, composed of persons possessing the requisite competence in matters of a political, social, and economic nature, to prepare for submission to the Council in the near future reports and proposals for the reduction of armaments as provided for by Article VIII. of the Covenant; (*c*) To form within the Secretariat a section to serve as a centre of information for the Commission in question and also as a channel for the publication and exchange of the information referred to in the Covenant; (*d*) To consider the mechanism by means of which the military information to be exchanged under the provisions of Article VIII. of the Covenant can be verified in the event of the principle of mutual verification by Members of the League being confirmed by an amendment of the Covenant.
		TRAFFIC IN WOMEN AND CHILDREN.
27	15 Dec. 1920	The Assembly resolves that— (1) The Secretariat of the League of Nations shall issue a *questionnarie* and the Assembly authorises the Secretariat to send this *questionnarie to all Governments*. The Governments shall be asked what *legislative measures* have been taken by them to combat the traffic, and especially what additional measures they are proposing to take in the future.

No.	Date.	RESOLUTIONS.
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27	15 Dec. 1920— *contd.*	Also that the Governments signatory to the 1904 and 1910 Conventions be immediately urged to put such conventions into operation. The Assembly requests the Council to invite the countries signatory or adherent to the International Conventions of 1904 and 1910 to send representatives to an International Conference to be held before the next Assembly. This Conference would co-ordinate the replies to the *questionnaire* received by the Secretariat and would endeavour to secure a common understanding between the various Governments with a view to future united action. (2) The Council is invited to constitute a Commission of Enquiry with a view to informing the Council as to the present situation in Armenia, in Asia Minor, in Turkey and in the Territories adjoining these countries, regarding deported women and children. This Commission should be composed of three members selected from among the persons best qualified residing in the districts in question. At least one member shall be a woman. The expenses of this enquiry will be borne by the League of Nations. The Secretariat shall receive, in addition to the information furnished by this Commission, all relative information from other countries. The Council will report to the Assembly.
		TRAFFIC IN OPIUM.
28	15 Dec. 1920	That having regard to the duty placed on the League by Article XXIII. of the Covenant to supervise the execution of arrangements with regard to the traffic in opium and other dangerous drugs, the Assembly concurs with the Netherlands Government in its view that it will be preferable for the League to undertake the duties placed upon the Netherlands Government by the Opium Convention with regard to the collection of data and dealing with disputes. That for this purpose and for the purpose of enabling the League to exercise its general supervision over the execution of arrangements with regard to this traffic, the Secretariat of the League is entrusted with the duty of collecting information as to the arrangements made in the various countries for carrying out the Opium Convention, the production, distribution and consumption of the drugs, and other necessary data. That in order to secure the fullest possible co-operation between the various countries in regard to the matter, and to assist and advise the Council in dealing with any questions that may arise, an Advisory Committee be appointed by the Council which shall include representatives of the countries chiefly concerned, in particular, Holland, Great Britain, France, India, Japan, China, Siam, Portugal, and shall, subject to the general directions of the Council, meet at such times as may be found desirable. That in view of the importance of the co-operation of States which have ratified or may hereafter ratify the Opium Convention, but which are not yet Members of the League, the Netherlands Government be requested to invite their concurrence and co-operation in the arrangements indicated above, and that in the event of such concurrence being given the Council be authorised to add to the Advisory Committee in the capacity of member or assessor, a representative of any such country which is specially concerned in the traffic, and that in any case a special invitation be addressed to the United States of America. That the Council be authorised, if and when they think it necessary, to add as assessors to the Committee not more than three persons not representatives of Governments, having special knowledge of the question ; and that the travelling expenses and allowances of such members shall be paid out of the funds of the League. That the Advisory Committee shall, three months before the beginning of every session of the Assembly, present to the Council for submission to the Assembly, a report on all matters regarding the execution of agreements with regard to the traffic in opium and other dangerous drugs. That the Assembly welcomes the action of the Netherlands Government in endeavouring to secure the signature and ratification of the Opium Convention by countries which have not yet done so, and invites it to inform the Secretariat of the League of the results of its action.

No.	Date.	RESOLUTIONS.

PASSPORTS FOR MEMBERS OF THE SECRETARIAT OF THE LEAGUE OF NATIONS.

29 — 15 Dec. 1920 — The Secretary-General of the League of Nations shall deliver to members of the Secretariat and officials of the League an identity card certifying the identity of the holder and the nature of his official duties. On presentation of this card and at the request of the Secretary-General, the Government of which the holder is a national shall deliver or cause to be delivered by any of its diplomatic representatives or by its consular agent at Geneva, a diplomatic passport permitting the official to carry out the mission with which he is entrusted with the benefit of all privileges and immunities provided for in Article VII. of the Covenant, and valid for the duration of such mission in the limits indicated by the Secretary-General.

Diplomatic visas will be given gratuitously, whenever necessary, on the request of the Secretary-General of the League of Nations by the diplomatic or consular agents of the Powers in whose territory the official will be travelling in accomplishment of his mission.

STAFF AND ORGANISATION OF THE SECRETARIAT.

30 — 17 Dec. 1920 — (1) That all members of the Secretariat and of the International Labour Office appointed for a period of five years or more by the Secretary-General or the Director of the International Labour Office shall, in the case of dismissal, have the right of appeal to the Council.

(2) That a list of the staff of the Secretariat and of the International Labour Office, showing nationalities and salaries and allowances by classes, be published yearly, with the addition to the first and second issues of a list containing an account of the previous services of certain of the higher officials; and that a further list be prepared and attached to the annual Budget, showing the nationality, salary and allowances of each individual member of the staff, and containing a schedule showing the travelling allowances for each class with the amounts paid.

(3) That information regarding vacancies on the staff of the Secretariat and of the International Labour Office be made as public as possible and that, in filling the various posts, whilst having special regard for efficiency, at the same time consideration be given to the international character of the League.

1ST AND 2ND BUDGETS.

31 — 17 Dec. 1920 — The Assembly of the League of Nations hereby adopts the General Budget of the League for the first financial period ending 30th June 1920, together with the Budget for the second financial period ending 31st December 1920.

3RD BUDGET.

32 — 17 Dec. 1920 — The Assembly of the League of Nations hereby adopts the annexed General Budget for the year 1921. (*See* Appendix III., Annex. 12.*)

SITUATION IN ARMENIA.

33 — 18 Dec. 1920 — The Assembly reaffirms its resolution of 22nd November 1920. It will continue to co-operate with the Council, which it entrusts with the duty of watching over the fate of Armenia, and of referring any question it considers necessary to the Members of the League. On the invitation of the League the valuable intervention of President Wilson, of Spain and Brazil, has already been secured for Armenia in addition to marks of universal sympathy.

EMOLUMENTS OF MEMBERS OF INTERNATIONAL COURT OF JUSTICE.

34 — 18 Dec. 1920 — *See* Appendix III. (Annex 10).

CHILDREN IN COUNTRIES AFFECTED BY THE WAR.

35 — 18 Dec. 1920 — The Assembly, being desirous of giving its support to the urgent work of rescuing children in the countries affected by the war, invites the Council to consider as soon as possible the means by which the moral authority of the League of Nations might best assist this work which is being done in the cause of humanity.

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* The budget there annexed is that originally presented by Committee No. IV, and is exclusive of 250,000 gold francs added after presentation to the Assembly; see para. 113 of our Report.

No.	Date.	RESOLUTIONS.

ORGANISATION OF INTELLECTUAL WORK.

36 18 Dec. 1920 . The Assembly of the League of Nations, approving the assistance which the Council has given to works, having for their object the development of international co-operation in the domain of intellectual activity, and especially the moral and material support given to the Union of International Associations on the occasion of the Inaugural Session of the International University and of the publication of the List of Recommendations and Resolutions of the International Congresses, recommends that the Council should continue its efforts in this direction, and should associate itself as closely as possible with all methods tending to bring about the international organisation of intellectual work.

The Assembly further invites the Council to regard favourably the efforts which are already in progress to this end, to place them under its august protection, if it be possible, and to present to the Assembly during its next session a detailed Report on the educational influence which it is their duty to exert with a view to developing a liberal spirit of goodwill and world-wide co-operation, and to report on the advisability of giving them shape in a technical organism attached to the League of Nations.

RECOMMENDATIONS.

THE DESIGNATION OF NON-PERMANENT MEMBERS OF THE COUNCIL.

1 11 Dec. 1920 . The Assembly is recommended to vote for the four non-permanent Members in such manner that three Members be selected from among the Members of the League in Europe and the two American continents, and one selected from among those in Asia and the remaining parts of the world.

ARMAMENTS.

2 14 Dec. 1920 . Pending the full execution of the measures for the reduction of armaments recommended by Article VIII. of the Covenant, the Assembly recommends to the Council to submit for the consideration of the Governments the acceptance of an undertaking not to exceed for the first two financial years following the next financial year, the sum total of expenditure on the military, naval, and air services provided for in the latter budget, subject however to account being taken of the following reservations :—

(1) any contributions of troops, war material, and money recommended by the League of Nations, with a view to the fulfilment of obligations imposed by Article XVI. of the Covenant or by Treaties registered by the League.

(2) Exceptional conditions notified as such to the Council of the League of Nations in accordance with the spirit of paragraphs 2 and 6 of Article VIII. of the Covenant.

PROTECTION OF MINORITIES IN CERTAIN STATES SEEKING ADMISSION TO THE LEAGUE OF NATIONS.

3 15 Dec. 1920 . In the event of the Baltic and Caucasian States and Albania being admitted to the League the Assembly requests that they should take the necessary measures to enforce the principles of the Minorities Treaties and that they should arrange with the Council the details required to carry this object into effect.

PROTECTION OF ARMENIA.

4 16 Dec. 1920 . The Assembly earnestly hopes that the efforts of the President of the United States, energetically supported by the Governments of Spain and Brazil and by the Council of the League, will result in the preservation of the Armenian race, and in securing for Armenia a stable government, exercising authority throughout the whole of the Armenian State as the boundaries thereof may be finally settled under the Treaty of Sèvres, so that the Assembly may be able to admit Armenia into full membership in the League at its next meeting.

RECOMMENDATIONS IN REGARD TO STATES NOT ADMITTED TO THE LEAGUE.

5 16 Dec. 1920 . Pending a further decision of the Assembly, it is desirable that Esthonia, Latvia, Lithuania, and Georgia should, on presenting a request to that effect, be treated on the same footing as States Members of the League of Nations, as regards their participation in the work of the technical organisations of the League.

6 17 Dec. 1920 . The Assembly expresses the wish that the Special Committee appointed by the Council of the League of Nations to consider proposals with reference to amendments to the Covenant, should also consider whether, and in what manner, it would be possible to attach to the League of Nations Sovereign States, which by reason of their small size could not be admitted as ordinary Members.

No.	Date.	RECOMMENDATIONS.

EARLY PAYMENT OF CONTRIBUTIONS.

7 — 17 Dec. 1920 — The Assembly of the League of Nations requests the Members of the League to take the necessary measures to ensure their contribution being paid at the earliest possible date. Each Member should in any case inform the Secretariat on 1st January 1921 on what date it may expect payment to be made. The Special Committee to be appointed to consider modifications in the Covenant should also consider what steps should be taken with reference to States which have not paid their quotas within a specified period.

PRINCIPLES OF FINANCIAL ADMINISTRATION.

8 — 17 Dec. 1920 — The Assembly of the League of Nations requests the Council to be guided by the principles embodied in the following Articles in regard to the financial administration of the League, and if experience proves that it can be strengthened and improved, to prepare for the annual session of the Assembly of 1921 a draft resolution upon this subject.

[For the Articles in question, *see* Appendix III. (Annex 12*).]

COMMITTEE TO CONSIDER ALL FACTORS CONNECTED WITH INTERNAL ORGANISATION.

9 — 17 Dec. 1920 — The Assembly of the League of Nations requests the Council to take the necessary steps to appoint as soon as possible a small Committee of experts to consider all factors connected with the organisation, methods of work, efficiency, number, salaries and allowances of the staff and with the general expenditure of the organisation as well as with all other points necessary to enable the Assembly to form a fair judgment in respect thereto, both as regards the Secretariat and the International Labour Office. The report of this Committee should be in possession of the Members of the League by 1st June 1921.

MANDATES.

10 — 18 Dec. 1920 — (a) *Recommendations regarding the Mandates Commission.*

(1) The members of the Commission should not be dismissed without the assent of the majority of the Assembly.

(2) The Commission should contain at least one woman.

(3) The mandatories should be asked to present to the Commission a report on the recent administration of the territories now confided to their care.

(b) *Recommendations as to Mandates "A."*

(4) The Mandatory should not be allowed to make use of its position to increase its military strength.

(5) The Mandatory should not be allowed to use its power under the mandate to exploit for itself or its friends the natural resources of the mandated territory.

(6) An organic law should be passed in the mandated territories as soon as possible, and before coming into force should be submitted to the League for consideration.

(c) *General Recommendation.*

(7) Future draft mandates should be published before they are decided on by the Council.

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* Articles 13 (*a*) to 13 (*e*) were renumbered 13 to 17 by the Assembly.

APPENDIX III.

Reports of Committees of the Assembly on various Subjects.

ANNEX 1.—*Summary of Report of Committee No. I. on the Rules of Procedure of the Assembly (taken from the Official Journal of the Assembly).*

The Rules of Procedure of the Assembly are based on :—

1. The Covenant.

2. The Rules of Procedure of the Council adopted during its Session at Rome on the 17th May 1920.

3. The Provisional Rules of Procedure distributed to the delegates of the Assembly at the beginning of the Session.

4. The Rules of Procedure in force in various Parliaments of the world.

5. The draft amendments submitted to the Committee by the delegates of Sweden, Switzerland, Australia, Portugal, China, and by the Hon. N. Rowell, delegate of Canada.

The Rules of Procedure define the respective positions and powers of the Members of the League, of the delegates who represent them, of the Council of the League, and of the Secretariat-General. The Committee have regarded the Members of the League as the origin and source of the whole organisation ; the Assembly as its sovereign but intermittent power ; the Council as its permanent parliament ; and the Secretariat-General as its permanent executive organ.

Members of the League.—The Rules provide that a majority of the Members of the League can at any time summon a Session of the Assembly, settle the place of its meeting, propose the questions to be placed on the agenda, and name their representatives and substitutes.

The Assembly.—The Assembly will meet once a year, on the first Monday in September. It has the power to designate its place of meeting, to choose its President and Vice-Presidents, to verify the credentials of its representatives, to draw up its agenda, and to determine the composition and work of its Committees.

The Council.—Upon the Council falls the task of carrying out the results of discussions held during the session of the Assembly. The Council or its President has the power to convene the Assembly, to approve the agenda prepared by the Secretary-General, to present reports to the Assembly, and to intervene in the debates of the Assembly through one of its Members in order to make an explanatory statement.

The Secretary-General.—The Secretary-General, as an executive officer, has to collect the opinion of the Members of the League with regard to the summoning of an extraordinary Session of the Assembly. He has to communicate the order convening the Session to the different Members, to prepare the agenda, to register the names of the representatives with their substitutes, to present his report to the Assembly, and to execute decisions taken either by the Assembly or the Council.

The Budget.—The Budget proposed for the ensuing fiscal year, and the report and the accounts for the past fiscal year, will be submitted annually for the approval of the Assembly in September. The Assembly will consider them after they have been examined by a special Committee which will carry out all the duties of financial supervision which normally belong to a parliamentary body.

The Use of Spanish as an Official Language.—The Committee recognises that the League of Nations represents the principle of equality amongst States, but points out that the adoption on equal terms of some 20 languages spoken by the various nations of the world would cause general confusion and render discussion impossible. The Committee has examined the question from the point of view of the practical working of the League, and from the point of view of keeping expenditure within reasonable limits. It expresses its gratitude to the representatives of the Spanish-speaking countries who, in a spirit of devotion to the common welfare, have agreed not to insist during this Session on the use of Spanish as an official language, although making a reservation with respect to the future.

The Committee has decided in this connection that every representative should, under the Rules of Procedure, be allowed to speak in whatever language he may prefer, and to publish documents published by the League in his native language. It is understood that each representative or Member of the League will provide for the necessary translation and publication.

Subjects Reserved.—The Committee has reserved for further examination the proposals concerning the institution by the Assembly of permanent Committees and the election of the non-permanent Members of the Council. Separate reports will be presented to the Assembly on these questions.

ANNEX 2.—*Report on the Relations between and respective Competence of the Council and the Assembly. Presented by Committee No. I. to the Assembly.*

I. We must seek in the Covenant the rights and duties attributed to the Council and the Assembly respectively. Before proceeding to this analysis, and in order to throw light upon it, we will attempt to take account, from the constitutional point of view, of the legal position of the League of Nations. We cannot attain a definite opinion until we have eliminated from the discussion certain hypotheses on which we must dwell for a moment.

(*a*) It is impossible to consider the Assembly as a Chamber of Deputies and the Council as an Upper Chamber. The objections to this view are that, while in certain matters the Council and the Assembly have identical rights, in others they have each their special rights ; and that the two bodies are not called upon to discuss and decide exactly the same points. If the Assembly was the Chamber of Deputies and the Council a sort of Upper Chamber, the same subjects would come first before the one and then before the other body.

(*b*) It is equally impossible to consider the Council as invested with the executive and the Assembly with the legislative power. The conclusive objection to this view is that the Assembly possesses executive prerogatives.

The truth is that the League of Nations has no analogy in ordinary constitutional law. Article 2 of the Covenant provides that the action of the League shall be effected through the instrumentality of an Assembly and a Council. It follows that the League is a single organism which has at its disposal two organs whose distinct or similar attributes must now be considered.

II. *Competence of the Council.*—The Council has the approval of the appointments made by the Secretary-General (Article 6), and may decide that the seat of the League shall be elsewhere than at Geneva (Article 7). The Council shall formulate plans for the reduction of armaments, and must give its consent to armaments exceeding those limitations (Article 8). It shall advise as to the evil effects attendant upon manufacture of arms by private enterprise (Article 8). The Council shall advise in case of agression (Article 10). It must formulate and submit proposals for the establishment of a Permanent Court of Justice (Article 14), and it may act as a Council of Mediation (Article 15). It must make recommendations to the Governments as to military contribution to the armed forces to be used to protect the covenants of the League (Article 16). It will define the conditions of the Mandates if they have not been previously agreed upon by the Members of the League (Article 22, para. 8). Its consent is required for the co-operation of the Secretariat with International Bureaux and Commissions (Article 24, para. 2).

The Council furthermore derives clearly defined functions from the Peace Treaties (*see* Article 48, Article 50, Annex 17, Article 213 of the Treaty of Versailles ; Article 159 of the Treaty with Austria, Article 104 of the Treaty with Bulgaria, &c.).

III. *Competence of Assembly.*—The Assembly also has duties and rights which are peculiar to it ; for example, admission of new Members (Article 1) ; election of representatives on the Council (Article 4) ; approval of additional Members on the Council (Article 4) ; approval of the Council's nomination for the office of Secretary-General (Article 6) ; hearing of disputes referred from the Council to the Assembly, &c., &c. We find that on these very important matters the final decision rests with the Assembly and not with the Council.

IV. While, as we have seen, the Council and the Assembly have each their distinctive rights and duties, there are matters the decision of which is left to the League of Nations without its being specified to which organ of the League the right of decision belongs. (Articles 23 and 24 of the Covenant ; Article 103, Article 338, Article 376 of the Treaty of Versailles).

V. Finally the account of the provisions of the Covenant in regard to the powers of the Council and the Assembly should be completed by setting out the relevant provisions of Articles 3 and 4. The former provides :—

"The Assembly may deal at its meetings with any matter within the sphere of action of the League or affecting the peace of the world."

The latter Article provides :—

"The Council may deal at its meetings with any matter within the sphere of action of the League or affecting the peace of the world."

VI. In the opinion of the Committee it would not seem to be desirable or necessary to formulate in explicit language at the present time what are the precise functions which the Council and the Assembly are respectively expected to perform. In the Report presented by Mr. Balfour and approved by the Council the following conclusion is reached :—

"The moral I would draw from these broad considerations is that the less we attempt to formulate in explicit language the precise functions which the Council and the Assembly are respectively expected to perform, the better for the future of the League.

"Let us substitute for any such formulating of our respective duties a resolve to deal with any difficulties between the Assembly and the Council not according to pre-arranged rules, but according to the dicates of tact and common sense, treating each case as it arises on its merits."

The Committee recommends the Assembly to accept and act upon this conclusion.

VII. In the Report by Mr. Balfour already referred to, a proposal is made for the appointment of mixed committees to determine questions of doubtful competence between the Council and Assembly. While appreciating the purpose of this proposal, we think it is not necessary at the present time to decide this question.

VIII. It remains to solve a very important question : What is the nature of the executive effect of decisions of the Council and the Assembly ? In our opinion the Assembly and the Council should be considered to have complete authority in all matters which the Covenant or the Treaties have committed to them for decision. There are, however, matters referred to in the Covenant which are not within the competence of these organs, but require the concurrence and action of the Governments concerned in the form of international conventions, such as the serious questions contemplated by Article 23, paras. *a, b, e, f*. In these matters one must not forget that the responsibility of the Governments represented at the Assembly, which is external to the Assembly, cannot be engaged. The action of the Assembly should accordingly take the form of a recommendation or invitation leading up to agreement between the Governments.

IX. Two further questions were discussed in the Committee.

(*a*) The first question was whether a member of the Council, in rendering his decisions on the Council, represented the Member of the League which appointed him, or acted in an independent capacity. Representatives on the Council and the Assembly are responsible to their own Governments and to those Governments alone. The Assembly has no right to interfere with the choice which a

Member of the League may make of persons to represent it, nor prevent a representative from saying what he pleases ; but it is essential that it should be thoroughly understood that, when a representative votes, the vote is that of the Member which he represents, whether the vote be cast in the Council or the Assembly. (*See* Article V.)

(*b*) The idea was suggested not of permanent Committees continuing to function after the Assembly had risen, but of allowing Committees which have failed to complete their labours in the course of a session of the Assembly to retain their mandates until their discussions are completed. The Committee is unable to accept this proposal. Practical reasons render it unrealisable. As each Committee consists of one representative from each State, it would be impossible to keep the members of a Committee in Geneva after the Assembly Session was over.

X. At the close of this purely juridical discussion, and as an assistance towards reaching a working basis for the time being, the Committee suggests the adoption of the following principles, which they have framed after close examination of the investigations upon the subject in question already made by the Secretary-General and Mr. Balfour :—

(*a*) The Council and the Assembly are each invested with particular powers and duties. Neither body has jurisdiction to render a decision in a matter which has been expressly committed to the other organ of the League.

(*b*) The Assembly has no power to reverse or modify a decision which falls within the exclusive competence of the Council. The same respect must be shown by the Council for decisions of the Assembly.

(*c*) Under the Covenant representatives sitting on the Council and the Assembly render their decisions as the representatives of their respective States, and in rendering such decisions they have no standing except as such representatives.

(*d*) The Council will present each year to the Assembly a report on the work performed by it.

ANNEX 3.—*Report presented to the Assembly by Committee No. I. on the Question of the Designation of the Non-permanent Members of the Council.*

Gentlemen,

I. The question dealt with in the present Report is that of the selection of the four non-permanent Members of the Council. The provisions of the Covenant relative to this question read as follows :—

Article 4, para. 1.—The Council shall consist of Representatives of the Principal Allied and Associated Powers, together with Representatives of four other Members of the League. These four Members of the League shall be selected by the Assembly from time to time in its discretion. Until the appointment of the Representatives of the four Members of the League first selected by the Assembly, Representatives of Belgium, Brazil, Spain and Greece shall be members of the Council.

There are thus two categories of Members on the Council ; permanent Members described in the foregoing Article as the Principal Allied and Associated Powers and the four non-permanent Members who are to be selected by the Assembly.

The discussions of the Committee with a view to fixing upon a general method of selection, principally dealt with the following points :—

(*a*) System of rotation.
(*b*) Method of selection.
(*c*) Duration of the mandates.
(*d*) Dates of the partial renewals.
(*e*) Re-eligibility.
(*f*) Temporary arrangements and method of distribution of seats in 1920.
(*g*) Form to be given to the decisions of the Committee.

II. In the course of the discussion a difference of opinion appeared as to the interpretation of the first parapgraph of Article 4 of the Covenant.

The French text of Article 4, para. 1, lays down that the four non-permanent Members of the Council *sont designes librement par l'Assemblee et aux epoques qu'il lui plait de choisir*, while the English text reads " shall be selected by the Assembly from time to time *in its discretion.*"

Part of the Committee was of opinion that this provision should be understood as follows :—The plenary Assembly should remain free to chose as Members of the Council those of the Members of the Leage of Nations whom, at the time the selection is made, it considers best fitted to carry out their duties as such, that is to say, to watch over the interests entrusted to the Council. The selection of the four Members is, therefore, to befree and not subject to any regulations on the part of the Assembly, either in respect of apportionment of seats or of the progressive limitation of choice. Such regulations are alone admissible as are confined to the method of selection and the duration of the mandates, or are intended to guarantee freedom of choice. In other words, only regulations exclusively affecting the actual procedure of selection can be considered as compatible with the Covenant.

On the other hand, however, other members of the Committee are of opinion that Article 4 gives the Assembly of the League absolute liberty not only to regulate at will the method of election and the duration of mandates, but also to introduce any system of apportionment of seats or of rotation calculated to increase the prestige of the Council and to enable it to watch over the common interests of the whole world in the best possible manner.

III. Part of the Committee was of opinion that the fundamental principle to which the Assembly should always adhere in selecting the non-permanent Members of the Council, is that those Members should be chosen who are best fitted to carry out, in conjunction with the Permanent Members, the duties entrusted to the Council ; the election must always be a selection. With this object in view, especial consideration should amongst other things be given to international, political, economic, social and financial relations of every sort, as well as to the respective situations of the various States at the time of the election.

Other members consider that, in order to ensure that the composition of the Council is satisfactory, it is essential to guarantee to Members of the League the certainty of obtaining a seat in turn, since without this certainty there would be a risk that they would gradually cease to take an interest in the work of the Council, and that the spirit of co-operation would be weakened. For these reasons, they proposed that the duration of the mandate of non-permanent Members of the Council should be reduced to a short period—for example, two years—in order to accelerate the rotation as much as possible, and to require that a Member who had sat on the Council should not be re-elected until all the other Members had also sat on the Council. This system has been called the system of obligatory rotation.

Part of the Committee believes that this is incompatible with Article 4 of the Covenant. The system of free selection provided for in this Article would thus be replaced by the system of obligatory rotation. The latitude of choice would be restricted from year to year, and would indeed finish by disappearing altogether, because the Assembly would ultimately only be able to appoint to the Council those Members who had not yet been elected.

It was urged that justice, as well as expediency, requires that all the Members of the League of Nations should in turn obtain a seat on the Council, in order to be able to represent their views on matters of international policy, and to utilise their special knowledge concerning the actual situation in different parts of the world. The majority, however, considers that the appreciation of these elements should always be left to the Assembly. The latter cannot therefore adopt a rigid system, which is foreign to the Covenant, nor can it be bound by any such principle as that of obligatory rotation. The Committtee has accordingly not adopted this system.

IV. In order to ensure a wiser apportionment and a more enlightened choice at the election, the Committee preferred the system of voting for one name at a time to the "Scrutin de liste" and, although the election is one of States and not of persons, the Committee unanimously declared itself in favour of a secret ballot. It further decided to apply in a modified form Rule 21, para. 2, of the Rules of Procedure adopted by the present Assembly.

V. As regards the duration of the mandates, part of the Committee is in favour of as short a period as possible, in order to give the Members of the League the greatest possible chance of being represented on the Council within a reasonable time. Another part of the Committee, however, considers that the four non-permanent Members of the Council will not be able to exercise an appreciable influence by the side of the permanent Members, unless they sit for a sufficiently long period to enable them to become familiar with the course of business. They, therefore, proposed four years as the period of the mandates. The Committee decided by 14 votes to 13 in favour of the period of two years, 15 members being absent or abstaining from voting.

VI. The Committee further declared itself in favour of partial renewals of the non-permanent Members and fixed upon two as the number of Members to be selected each year. Any system involving the simultaneous renewal of the four seats was rejected.

VII. The Committee was further of the opinion that a system of qualified non-re-eligibility should be adopted with a view to preventing the growth of a species of customary right to re-election. The majority thought that it would be possible to allow a Member, who had held his seat upon the Council for two years, to be selected for a further two years, but felt the necessity of stipulating that, subsequently, retiring Members should be ineligible for a period of four years. Even when a Member was not re-elected after sitting for two years, he should not be able to sit again on the Council until a period of four years had expired.

VIII. The Committee proposes, firstly, that two of the four Members should be selected at each annual meeting of the Assembly, and, secondly, that all four Members should be selected during the present session. As a temporary measure, therefore, the Committee suggests that two of the mandates should be for one year and two for two years. The respective length of the mandates could be decided at the election, but the Committee prefers that this question should be decided by drawing lots, after the selection of the Members. A proposal to distribute the four non-permanent seats upon the following geographical basis :—Three seats to the European and American Members of the League, and one seat to the Members from Asia and the other parts of the world, was thoroughly discussed by the Committee.

On the one hand, it was urged in support of this idea that, due regard being given to the main branches of humanity, the great currents of civilisation, the principal sources of wealth, and the commercial arteries of the world :—

(1) The Members of the League of Nations who are not permanently represented on the Council naturally fall into three groups : the European group, the American group, and a third group including Asia and the other parts of the world.

(2) These three groups of Members of the League, with their respective problems, conditions and capabilities, should all be represented on the Council, the permanent embodiment of the spirit of the League, inasmuch as universal co-operation is essential for the effective maintenance of world peace and the advancement of the common interests of humanity.

(3) The proposed system of apportionment is equitable and is designed to obviate the preponderance of any one part of the world, to the exclusion of other parts, with regard to non-permanent representation, a preponderance which would be possible in the absence of any system of apportionment.

(4) The non-representation of any one of these three groups of Members might jeopardise friendly relations between them, and even weaken the League itself, since the non-represented group would gradually lose interest in the League.

(5) Such a system of apportionment is desirable since it would tend to enhance the prestige of the Council and to inspire confidence in its deliberations and decisions among all the Members of the League.

(6) An equitable system of this kind is entirely in harmony with the spirit of the Covenant and does not constitute a restriction on the discretionary power conferred upon the Assembly by the Covenant, but is rather an enligthened use of that power.

On the other hand, it was urged that any hard and fast system of apportionment would be contrary to the Covenant, since it would involve restriction of the freedom of the Assembly, by introducing a system of representation foreign to the Covenant, as has been already explained ; that neither the Asia-Africa-Oceania group, nor even Asia or Africa separately, can be considered from any point of view entities sufficiently homogeneous to supply a legal basis for representation on the Council ; that the universal co-operation necessary for the effective maintenance of world peace and for the advancement of the common interests of humanity must be achieved by the Assembly of the League rather than by the Council ; that in order to obtain equitable representation, and to avoid the undue preponderance of any part of the world, among the non-permanent representatives of the Council, we must rely rather on the spirit that animates the League than on any predetermined regulations ; that Europe is at present in the throes of a crisis, and that in consequence the composition of the Council must offer guarantees which will meet the requirements of this situation ; that later on a crisis may develop in some other part of the world, creating new requirements ; and that, at any rate until peace has been finally re-established, there can be no restriction of the freedom of choice of the Assembly as regards the selection of the four non-permanent Members of the Council.

A motion proposing to adopt experimentally at the elections in the present Session of 1920 the system of distribution of seats mentioned above was accepted by 13 votes to 12, two members abstaining from voting, and 15 being absent.

IX. The Committee finally considered whether the regulations which it recommends are or are not matters of procedure within the meaning of Article 5, para. 2 of the Covenant. Certain members of the Committee urged that at least Resolution IV. could not be regarded as a question of procedure, but was a question of substance. The Committee, however, adopted by a majority the view that all the Resolutions proposed deal with matters of procedure.

X. In conclusion, the Committee submits the following draft Resolutions for consideration by the Assembly :—

(I) The mandates of Belgium, Brazil, Spain, and Greece as Members of the Council, as provisionally conferred by Article 4, para. 1, sentence 3, of the Covenant, will expire on 31st December 1920.

(II) In execution of Article 4, para. 1, sentence 2, of the Covenant, the non-permanent Members of the Council shall be selected one at a time and by secret ballot for a period of two years. If no Member obtains at the first ballot an absolute majority of votes, a new ballot shall be taken, but on this occasion the voting shall be confined to the two Members who obtained the largest number of votes at the first ballot. If at this ballot the two Members obtain an equal number of votes, the President shall decide by lot.

At each Annual Meeting, the Assembly will select two of these four Members. The mandate conferred upon these Members will date as from 1st January of the following year.

No Member shall serve for more than two consecutive periods of two years. Members ceasing to hold office after one or two periods of two years, as the case may be, shall not be re-eligible until after the lapse of a period of four years.

(III) At its Session in 1920 the Assembly shall, as an exception to the rule laid down above, proceed to select all four non-permanent Members of the Council. The mandates shall be two for one year and two for two years. After the election the President shall determine by lot which Members shall hold office for one and which for two years.

The principle of non-re-eligibility shall not apply to the elections at the present Session.

(IV) Of the four non-permanent Members to be selected by the Assembly in 1920, three shall be selected from among the Members of the League from Europe and the two American Continents, and one selected from among those from Asia and the remaining parts of the world.

(V) The present provisions shall be deemed matters of procedure within the meaning of Article 5, para. 2, of the Covenant.

ANNEX 4.—*Report submitted to Committee No. II. by the Delegate for Canada (on behalf of the Typhus Sub-Committee) and approved by the Committee.**

At a meeting of Committee No. II., held on 22nd November, the following Resolution was adopted :—

"The Committee decides that the report of the Medical Mission on Typhus, now returned from Poland, shall be heard by a sub-committee under the presidency of the delegate of the Argentine, and composed of all members of the Committee who wish to attend. The meeting of this sub-committee will be public."

The sub-committee thereby constituted held meetings on 24th and 26th November, at which Drs. Madsen, Pottevin and Norman White submitted their report and gave such additional information as was asked for by the members of the sub-committee. I beg leave to submit this report, together with the Proces-Verbaux of the sub-committee, for the consideration of the full Committee.

It would appear from the reports and statements of the above-named experts ;—

(1) That the epidemic condition of typhus in Poland and Galicia is very grave and constitutes a distinct menace especially to Eastern Europe and in general to the world at large.

* For the Resolution passed by the Assembly, *see* Appendix II., Resolution No. 12.

(2) That the resources of mechanical and medical equipment of Poland, though hitherto employed in an excellent manner, are altogether insufficient to successfully cope with the conditions in Poland itself.

(3) That the infecion of typhus is widely distributed in Russia and other countries adjoining Poland and opportunities for its distribution are constant and continually increasing.

(4) That urgent necessity exists for an immediate and adequate effort, participated in by the nations of the world, to successfully combat a menace which is international and world-wide.

Already two appeals have been issued by the Council of the League and 42 States have been communicated within an urgent request for a fund to a minimum of 2,000,000*l.*, with which to undertake the limitation and possible extermination of the epidemic. In answer to this appeal, the following nations have promised to contribute, as shown hereunder; but up to date nothing has been actually paid in owing to the conditional nature of the contributions offered. As a consequence, no funds from this source have been available for use:—

France	£50,000	Persia	£ 2,000
(on condition that three other countries subscribe a like amount).		Bulgaria	£ 27
		Siam	£ 1,000
England	£50,000	Germany	1,000,000 paper marks
(on condition that three other countries subscribe a like amount).		Austria	100,000 kronen
		Holland	100,000 florins
Canada	200,000 dollars	(an initial payment when Great Britain has also contributed her initial payment).	
Spain (conditional)	£40,000		
Belgium	£1,000	Japan	100,000 francs.
Greece	£10,000	Switzerland	50,000 francs.

The sub-committee is of the opinion that an urgent and immediate appeal should be made by the Assembly to all the countries of the world for an adequate fund for prosecuting an effective campaign against epidemic disease, especially typhus and cholera, in Eastern Europe, beginning with Poland as a centre, and that the Office International d'Hygiène Publique, the Comité International de la Croix-Rouge and the League of the Red Cross Societies, should be earnestly sought to co-operate with the League of Nations in this matter.

Annex 5 :—*General Report of Committee No. II., by M. Hanotaux, French Delegate, on Technical Organisations.*

Mr. President, Gentlemen,

In distributing the work allotted to the different Committees, the Assembly had entrusted Committee No. 2 with the task of examining certain economic and financial questions.

This Committee was formed under the Chairmanship of M. Tittoni, the first Italian delegate, appointed by the Assembly as one of its Presidents, with M. Toma Jonescu, the first Roumanian delegate, as Deputy Chairman.

The subjects which had been referred to this Committee appeared in your provisional agenda under the following headings :—

11. The relations between Technical Organisations and the Council and the Assembly of the League.

12. The establishment of a Permanent Health Organisation.

13. Typhus.

14. Supervision over the execution of Agreements with regard to the Traffic in Women and Children.

15. General supervision over the execution of Agreements with regard to the Traffic in Opium in accordance with Article 23 of the Covenant (at the request of the Government of the Netherlands).

16. The establishment of a Permanent Organisation to deal with Communications and Transit questions falling within the sphere of the League of Nations under the Treaty of Versailles.

17. Tribunal for the settlement of differences referred to in Articles 336, 337, 376 and 386 of the Treaty of Versailles, and in corresponding Articles of other Treaties.

18. Passports for Members of the Secretariat.

19. Economic and Financal Organisation.

20. The claim of India to be represented on the Governing Body of the International Labour Office.

The questions covered by these headings correspond to the Article of the Covenant, that have entrusted the League with a guardianship over the various matters which make up the world's life from the point of view of economics, finance and health, and which are still affected by the crisis which has shaken the social structure to its very foundations.

Of these Articles the chief is Article 23, from which I have selected for quotation the paragraphs which deal with the work of the Committee.

Article 23.—" Subject to and in accordance with the provisions of international Conventions at present existing or hereafter to be agreed upon, the Members of the League—

" (*c*) Will entrust the League with the general supervision over the execution of agreements with regard to the traffic in women and children, and the traffic in opium and other dangerous drugs.

"(*e*) Will make provision to secure and maintain freedom of communications and of transit and equitable treatment for the commerce of all Members of the League. In this connection the special necessities of the regions devastated by the war shall be borne in mind.

"(*f*) Will endeavour to take steps in matters of international concern for the prevention and control of disease."

It should be added that Articles 24 assure the permanence of the International Bureaux which were previously in existence, by placing them, subject to the consent of the parties concerned, under the authority of the League, and that they institute a strong moral connection between the League of Nations and the voluntary international Red Cross Societies.

The foundations having been thus established, the next point was to commence a study of the permanent procedure to be adopted for obtaining effective results in regard to the variety of questions covered by these Articles.

First of all, the Council of the League discussed the question and took the requisite steps to ensure that the preparatory work should be ready for submission to the Assembly at its first meeting.

At this point, Gentlemen, the connection of the labours of the Second Committee and the lofty sentiments expressed by M. Léon Bourgeois, President of the Council of the League of Nations, at the meeting of Saturday, 4th December, becomes evident.

M. Léon Bourgeois pointed out the difficulties which beset the launching of so vast an undertaking, and he told us that we must dig the ground, that we must lay the foundations, organise and weigh our resources and create the machinery ; he described that obscure and thankless period during which the materials are scattered over ground and the architect alone can in his mind's eye visualise the majestic lines of the future edifice.

We are exactly at this stage, and public opinion, which is waiting on our first achievements and is urging us to act, will doubtless grant us the necessary time to enable us to lay solid foundations for this structure, which has no equivalent in history.

Scarcely had the Council of the League of Nations assembled, when the economic and financial questions were placed on its agenda. Obviously neither the Council nor the Assembly could possibly enter upon the consideration of these difficult subjects without the intention of establishing first of all, in accordance with the Covenant, special organisations entrusted to prepare their work and carry out their decisions. Whether the question be one of political economy, finance, transport or hygiene, quite apart from other matters which will at one time or another be submitted to the supreme authority, the League of Nations, the immediate establishment of special organisation is imperative ; it is on these lines that a start must be made.

For the purpose of preparing these indispensable organisations, the Council had entrusted the preliminary study of the question to the Provisional Economic and Financial Committee, the Provisional Committee on Communications and the Health Conference. I cannot doubt that the Assembly desires to tender its most sincere thanks to these Committees.

The Committees have worked hard, have evolved principles, collected data and arrived at conclusions worthy of our closest consideration. And we must add that if this excellent preliminary work had not been accomplished, our own labours could hardly have been finished in one short but arduous session. From the general tenour of this report it will be seen that the Second Committee, whose task was to deal with all these questions, had to consider two classes of subjects :—

(1) Those relating to the establishment of special organisations which are in some sort constructive ;

(2) Those which bear on certain fundamental questions which demand immediate consideration in view of their urgency or of their state of preparation for consideration by the Assembly.

Taking into consideration this division of the work, the Second Committee decided that the Reports to be submitted to the Assembly should deal with each of these two groups of subjects. It also decided that one of the two Rapporteurs which it has appointed (the present reader of this Report) should be instructed to deal with all questions relating to the creation of technical organisations, and that another Rapporteur, the Hon. M. T. Jonnesco, should deal with questions of principle which have already been discussed ; the Committee, moreover, decided that, in view of the complexity of the problems, the two general Rapporteurs should be assisted by certain special Rapporteurs, *viz.*, M. Ador for the economic and financial questions, M. Loudon for Communications and Transit, Mr. Barnes for Health, Sir W. Meyer for Opium, M. Politch for Passports.

II.—RELATIONS BETWEEN TECHNICAL ORGANISATIONS, THE COUNCIL AND THE ASSEMBLY OF THE LEAGUE OF NATIONS.

Before taking up the study of the three technical organisations submitted for its consideration, your Second Committee, in accordance with the request of the Council, was desirous of fixing the rules of procedure regulating the relations between these organisations and both the Council and the Assembly of the League.

In order to work efficiently, these organisations, in which the most eminent specialists of the various countries would be called upon to take part, cannot be placed in a position of dependence which would deprive them of all initiative ; but on the other hand, it is a matter of the greatest importance for the League of Nations that this new machinery should fit in with the main machinery of the League, so as not to upset its delicate mechanism.

The Council of the League, with this object in view, passed a Resolution on 19th May 1920, which has been submitted to your Committee for consideration.

Your Committee decided unanimously that it was ready to adopt the principle laid down by the Council.

And it submits to you, in its turn, the following Resolution, which does not appear to call for special comment.

Resolution.—"With a view to defining the relations between the technical organisation of the League of Nations and the Council and the Assembly of the League, the Assembly, after having noted the Resolution of the Council of the League of Nations, dated 19th May 1920, submitted to it by the Council, adopts the following Resolution. The Resolution will be forwarded to the Secretariats of all technical organisations, which Secretariats must in all cases be administered by the Secretary-General of the League.

The technical organisations of the League now in process of formation are established for the purpose of facilitating the task of the Assembly and the Council by the setting up of technical sections on the one hand and on the other to assist the Members of the League, by establishing direct contact between their technical representatives in the various spheres, to fulfil their international duties.

With this double object, they must keep enough independence and flexibility to make them effectively useful to the Members of the League, and yet they must remain under the control of the responsible organisations which conduct the general business of the League, with a view to verifying whether the proposals are in conformity with the principles and spirit of the Covenant, in accordance with Articles 19 and 20.

The two following principles will serve as a guide :—

(*a*) *The interior working of the various organisations should be independent.*

They will prepare their own agenda, and communicate it to the Council of the League before discussion thereon takes place.

In exceptional cases in which it is necessary to add to the agenda during the progress of a conference of a technical organisation, and time does not admit of the communication of the additional item to the Council, any decision arrived at thereon shall be provisional only until the Council has had an opportunity of exercising its control.

(*b*) *Their relations with the Members of the League should be under control.*

Before any communication of the results or proposals of the technical organisations is made to the Members, and before any action concerning a Member is taken, the Council of the League must be immediately informed in order that they may be able to exercise their power of control, if necessary. In this case, the Council may decide that the communication or action in question shall be postponed and request the technical organisation concerned either to withdraw the question from its agenda or to submit it to further consideration.

The technical organisation may, however, request that the decision taken by the Council shall be discussed at the next meeting of the Assembly.

The Assembly of the League should be informed of all questions dealt with in the interval between its meetings by the Council in the exercise of its power of control defined above. It may either be informed of such questions by the Council on its own initiative, or on the proposal of any one of its Members, or at the request of one of the technical organisations of the League."

III.—TECHNICAL ORGANISATIONS.

Once these principles of our internal administration had been established, the Second Committee considered the creation of the technical organisations which have just been referred to.

In connection with all these subjects, the League of Nations must be acquainted with the needs and wishes of the peoples, and the scientific treatment of various subjects ; it must prepare the text of any Agreements or Conventions which may be necessary or useful ; it must approach its labours with the assistance of those concerned, whether Governments or groups of Governments, or even individuals ; in a word, it must keep in constant touch with labouring humanity, and by holding aloof from all special points of view and private interests, it must strive to unite, to conciliate, and to pacify them so that, their claims as far as possible satisfied, they may thus by their voluntary adherence contribute to the general pacification and to universal well-being.

It thus proposes to set up three technical organisations which are immediately necessary—an Economic and Financial Organisation, an Organisation for Communications and Transit, and an Organisation of International Health.

A.—Economic and Financial Organisation.

With regard to the creation of this, the Committee found itself in presence of a detailed Resolution taken by the Council and submitted by it to the Assembly :—

"In order that the League of Nations may proceed without interruption with the working out of measures of an economic and financial nature, which Members of the League shall be called upon to adopt, in accordance with the Covenant of the League, an Economic and Financial Organisation shall be constituted and shall work under conditions laid down in the general Resolution of the Council of the 19th May. As soon as this organisation is constituted, it shall replace the technical provisional Economic and Financial Committee appointed by the Council.

"For this purpose, the Council of the League of Nations shall summon during 1921 a first General Economic and Financial Conference, one of the duties of which shall be the organisation of a Standing Economic and Financial Committee.

"In the regulations to be prepared by the Council for the holding of the Conference, due regard shall be paid to the general principles governing the relations between the technical organisations of the League and the Council, and also to the general provisions already adopted for the other organisations at the same time making such modifications as may be required in view of the object for which the Conference is being called."

Faced by the difficulties presented by the debates on questions of principle, all the Delegations within the Committee were of the opinion that the simplest method would be to refer the matter to the initiative of the Council, and to agree on the establishment of a technical organisation to consider *de facto* conditions and to prepare plans for submission to the Council.

As regards financial questions, everybody knows the remarkable statements made at the Brussels Conference, at which the authority of the most competent men was called in to consider every aspect of the problem. We propose that you should carry these discussions into practice, and we ask you to vote for a technical financial organisation. At the same time let us add that the labours of the Brussels Conference have already taken effect and that important agreements are in course of preparation in respect of the international organisation of credit.

It is in this sense that we propose to you to vote on the motions which have been unanimously adopted by the Committee itself.

Resolutions.

First Resolution.—"The Assembly recognises and proclaims the urgent necessity of a permanent Economic and Financial Organisation.

"It adopts, as a consequence, the following resolution submitted to it for its approval by the Council on 27th October 1920 :—

"In order that the League of Nations may proceed without interruption with the working out of measures of an economic and financial nature, which shall be submitted for adoption by members of the League, in accordance with the Covenant of the League, an Economic and Financial Organisation shall be constituted and shall work under conditions laid down in the general resolution of the Council of the 19th May. As soon as this organisation is constituted, it shall replace the provisional Technical Economic and Financial Committee appointed by the Council.

"For this purpose, the Council of the League of Nations shall summon during 1921 a first Economic and Financial Conference, one of the duties of which shall be the organisation of a Standing Economic and Financial Committee.

"In the regulations to be prepared by the Council for the holding of the Conference, due regard shall be paid to the general principles governing the relations between the technical organisations of the League and the Council, and also to the general provisions that may be adopted for the other organisations, at the same time making such modifications as may be required in view of the object for which the Conference is being called."

2nd Resolution.—"The Assembly having noted the resolution taken by the Council at its meeting in Brussels, 27th October last, considers it indispensable that the Economic and Financial Committee should continue its work without delay in the manner indicated by the Council.

"It is understood that this Resolution is voted as an interpretative clause to Annex 1A. of the Report on the International Financial Conference presented by M. Bourgeois to the Council at Brussels ; *viz.* :—

"ANNEX 1A.—*Resolution with regard to the Provisional Committee.*

"Pending the coming into operation of a definite organisation, for the preparation of which some time will be necessary, it is essential that the Council should immediately form a limited Provisional Committee to advise it :—

(*a*) In considering the immediate application of the recommendations of the Brussels Conference ;

(*b*) In preparing the agenda for the next General Economic and Financial Conference ;

(*c*) In examining the economic and financial problems submitted to it by the Council.

"For this purpose a Committee should at once be appointed by the Council."

Third Resolution.—"The Assembly associates itself with the opinions expressed by the Council in its note addressed to all the Governments following on the Brussels Conference ; it considers, in fact, that, in the present conditions of Europe, there is urgent need for the different Governments to apply the principles laid down by the Brussels Conference as completely as possible within each of their countries. The Assembly particularly emphasises the urgent necessity unanimously expressed by the Brussels Conference, that all national wealth should be employed in strictly productive channels.*"

B.—Communications and Transit.

We now come to the second technical organisation which is in process of creation, and whose subject, though very limited, does not yield in importance to any other.

As you will remember, Article 23 (*e*) of the Covenant imposes on the Members of the League the obligation "of making provision to secure and maintain freedom of communications and of transit." Thus the League of Nations has been induced to deal with questions of transport, the international character of which cannot be doubted. In the present state of the world no question

* An additional paragraph originally suggested by M. Ador, which gave expression to a desire for the reduction of armaments, was withdrawn by its proposer and submitted to Committee No. VI. for consideration.

of transport can properly be regarded as not affecting the generality of nations ; but among the questions of transport, that of transit is undoubtedly one of the most specifically international problems. Transports in transit, that is to say, those which cross a national territory while their place of departure and their destination lie outside this territory, obviously cannot be limited or trammelled in favour of the sovereign State without thereby unjustifiably injuring other States. Such injury might give rise to reprisals, and would thus extend even beyond the States immediately concerned, and would seriously tend to trouble the peace of the world by the material inconvenience and the state of unrest which it would cause.

In accordance, therefore, with the terms of the Covenant, it is above all necessary, especially in considering the present configuration of frontiers, and the number of States who have no access to the sea, to obtain international guarantees under the auspices of the League of Nations, for freedom of communications, and, in particular, of transit. Moreover, certain Articles of various Peace Treaties express the sense of Article 23 (*e*) of the Covenant more explicitly, and, with this object in view, lay down certain international Conventions which deal with the freedom of transit, ports, navigable waterways and railways.

Moreover, in these matters, the same Treaties assign to the League of Nations a certain number of other technical duties which would take too long to enumerate.

To establish the organisations which are to fulfil these various duties, the Assembly found that, as in the case of the Economic and Financial Organisation, it was faced with a former scheme. Indeed, and the fact was recalled by M. Loudon in his interesting and detailed statement before the Second Committee, the French Government, struck by these considerations, convened a Committee composed of delegates from the same Powers which were represented on the Ports, Waterways and Railways Commission at the Peace Conference and of delegates from certain other Powers specially interested in questions of communication and transit ; this Committee was to consider the methods by which the League of Nations could accomplish this task. The mission of the Committee was confirmed by a Resolution of the Council on 13th February last, and it did not delay in submitting to the Council a Report specially dealing with the Permanent Organisation of Communications and Transit. This Report led to the Resolution taken by the Council at Rome on 19th May 1920. The Second Committee was therefore, faced, on the one hand, with a scheme maturely considered by an assembly of most competent men who were inspired by the Covenant and by the existing systems in the important matter of communications and transit, who laid the foundations for the organisation which is henceforth to inform, advise, and guide the League of Nations ; and, on the other hand, it was faced by a Resolution of the Council sanctioning this point of view. These two documents formed the basis of its discussions.

The Second Committee asked the Honourable M. Loudon, the Dutch delegate, to draw up a Report and to submit Resolutions bearing on this subject for its consideration.

The Resolutions on M. Loudon's Report were unanimously adopted by the Second Committee, with some slight modifications of the text of the Resolution of the Council, and we now submit them, in their final form, to the vote of the Assembly.

Resolution.—"I. The Members of the League of Nations are hereby invited to send special Representatives to a General Conference on Freedom of Communications and Transit, to meet at Barcelona as soon as possible after the meeting of the Assembly. This Conference shall be invited to :—

(1) Draw up, under conditions laid down in the Resolution regarding the relations between the Technical Organisations and the Council and the Assembly of the League of Nations, the measures which may be taken by the Members of the League in fulfilment of that part of Article 23 (*e*) of the Covenant which concerns freedom of communications and transit, as well as the General Convention on the international régime of transit, of ports, of waterways and of railways referred to in Articles 338 and 379 of the Treaty of Versailles.

(2) Determine under the same conditions whether the measures which it elaborates should take the form of Draft Conventions to be ratified by the Members of the League or of "recommendations" to the various Governments, or of Draft Resolutions to be adopted by the Assembly of the League.

(3) Regulate its own procedure and make suitable arrangements for subsequent meetings by means of special rules and regulations to be adopted by two-thirds of the representatives of the Members of the League.

(4) Hold its subsequent meetings convened by the Council of the League of Nations at Geneva, unless the Council of the League decides otherwise for special and exceptional reasons.

II. The Conference shall likewise be invited to organise a Standing Communications Committee, the headquarters of which shall be at Geneva. This Committee shall be a consultative and technical body to consider and propose measures calculated to assure freedom of communications and transit at all times, and to assist the Council and Assembly of the League in discharging the functions entrusted to the League by Article 24 of the Covenant and by Articles 342, 377, and 378 of the Treaty of Versailles, and the corresponding Articles in the other Treaties.

The Committee will plan the meetings of the Conference and prepare its agenda ; it will exchange all requisite information concerning communications and transit with the appropriate technical Ministries of the Members of the League ; it will be entrusted with the investigation of any disputes which may be referred to the League under Articles 336, 376, and 386 of the Treaty of Versailles, and corresponding Articles in the other Treaties of Peace, and will endeavour to adjust such disputes whenever possible by conciliation between the parties ; in the event of such disputes being brought before the Permanent Court of International Justice, the Committee may be called upon to assist the Court.

III. The Secretary-General of the League of Nations will render every possible assistance to the General Conference and to the Committee ; he will, with the assistance of the existing Commitee of Enquiry on Freedom of Communications and Transit, take the necessary measures for the first meeting of the Conference, and he will designate members of the International Secretariat to act as Secretaries of the Conference and of the Standing Committee.

IV. The general expenses of the Conference and of the Committee, and the travelling and subsistence allowances of the members of the Committee only, shall be defrayed out of the general funds of the League."

The General Conference, which, in accordance with the Resolution submitted to you and in reponse to the very kind invitation of the Spanish Government, is shortly about to hold its first meeting at Barcelona, will study its agenda ; it will itself decide on its own methods of procedure and propose its own solutions. Its task, however, will be greatly facilitated by the Committee of Enquiry to which I have already alluded, and which, in accordance with the instructions of the Council of the League of Nations, has elaborated at Paris not only a draft agenda, but also the texts of preliminary drafts for eventual conventions on freedom of transit, navigable waterways, railways, on the right to a maritime flag of States not in the possession of a sea-board, a draft resolution with regard to ports, as well as an explanatory report drawn up by the Secretary-General of the Committee, and which is above all praise.

A very great importance must be attached to the first General Conference, for it will be the first time that the competent authorities of the whole world will be gathered together to collaborate in this task, which is a matter of equal and vital concern to all.

As regards this matter, I wish particularly to remind you that an invitation to the Barcelona Conference has been addressed to the Government of the United States. We all hope that we shall not be refused the assistance of its experts, which proved of such value to us at the Financial Conference at Brussels, since, in this case more than in any other, the co-operation of the world is indispensable.

Jurisdiction on Communications and Transit.

The Assembly will also have to take resolutions as regards jurisdiction over Transit. We cannot do better than to give the following extract on this subject from the report of M. Loudon :—

'As regards Communications and Transit, the League of Nations has, in addition to the duties provided for by the Council's Resolution of the 19th May last, a judicial task which has been assigned to it by the various Treaties of Peace.

'Article 376 of the Treaty of Versailles states that disputes which may arise with regard to the interpretation and application of Part XII. of the Treaty relating to ports, waterways, and railways shall be settled as provided by the League of Nations. Several other Articles, especially Nos. 336, 337, and 386, anticipate a recourse to the jurisdiction established by the League of Nations for this purpose. The other Treaties of Peace contain similar provisions. Consequently, it is incumbent on the Assembly to take at once the steps necessary for setting up, before any disputes arise, the jurisdiction to which the parties may have recourse.

'Article 13 of the Covenant declares that disputes as to the interpretation of a treaty, as to any question of international law, as to the existence of any fact which, if established, would constitute a breach of any international obligation, or as to the extent and nature of the reparation to be made for any such breach, are among those which are generally suitable for arbitration.

'All the disputes provided by the above Articles would seem to fall under this enumeration. The choice of the jurisdiction is left by these Articles to the League of Nations.

'It is, therefore, obvious that this jurisdiction is the one created by the League of Nations, that is to say, the Permanent Court of International Justice.

'It is perfectly understood that the disputes in question shall not be brought before the Court, except after the failure of the measures of conciliation provided for by the Resolution on the Transit Organisation.'

Until such time as the Permanent Court is able to enter upon its duties, it will be necessary to submit eventual disputes to a special Tribunal of Arbitration. Under the circumstances, the Assembly might adopt the following Resolution :—

Resolution.—"All disputes brought before the League of Nations, under Articles 336, 337, 376 and 386 of the Treaty of Versailles and under analogous Articles of the other Treaties of Peace, which are not settled by the procedure provided in the Resolution relating to the organisation of Transit shall be brought before the Permanent Court of International Justice. Until the Permanent Court of International Justice is in a position to deal with such disputes, they shall be brought before a Court of Arbitration of three Members, appointed as follows :—

> "One Member appointed by the Plaintiff or plaintiffs, one Member appointed by the Defendant or Defendants, one Member appointed by the Council of the League of Nations, who shall act as President of the Court."

If the preceding Resolution is adopted by the Assembly, the Council of the League of Nations can take, and communicate to the Parties concerned, all measures with regard to the details required for putting it into force.

C.—Health.

As regards international measures concerning health questions, the instructions of the Covenant are contained in a single line of Article 23 (*f*) :—

"The Members of the League will endeavour to take steps in matters of international concern for the prevention and control of disease."

All who have followed the progress of health and international prophylaxis during the last half century realise how much has been accomplished for the good of humanity in such matters by the good-will of the nations intelligently directed by eminent specialists.

I myself, having had the honour of taking part 20 years ago in the Conferences which organised the fight against cholera and of plague, having witnessed the wonderful effects of the conventions which resulted from the Conferences, being able to testify to the fact that these conventions have kept back these scourges, and being able definitely to state the exact date when the last western epidemic yielded before the thoroughness with which the international system of protection was organised, I am in a position to state with all emphasis how fertile in results may be the work which the League of Nations will undertake in the future in accordance with the instructions so simply set forth in these lines of the Covenant.

It is, therefore, with the most complete confidence that I submit to you in conformity with Mr. Barnes' report the conclusions which are the results of the preliminary investigations and of the discussions carried on in the Second Committee.

Here we found ourselves already provided with carefully elaborated reports.

A special Committee was convened by the British Government on 29th and 30th July 1919, and a second Committee, to which additional experts had been added, was convoked on 13th April 1920. The report of the latter Committee was submitted to the Council, which accepted its conclusions, and has transmitted them to us, in order that we may obtain its approval by the Assembly.

But it should be pointed out that we on this subject have to deal with one of the eventualities provided for by the following passage in Article 24 of the Covenant :—

"There shall be placed under the direction of the League all international bureaux already established by general treaties if the parties to such treaties consent."

An International Health Office, the Office International d'Hygiène Publique, already existed at Paris. It was a question of adapting it to the rôle which it would have to fulfil under the authority of the League of Nations.

Your Second Committee, after carefully considering the circumstances, recommends that you should adopt in their entirety the proposals of the London Conference, which were accepted by the Council with certain slight modifications due to amendments representing the combined wisdom of our experts.

These proposals would, then, take the form of a resolution, and it is this resolution that we are now submitting to the Assembly :—

Resolution.—"In pursuance of Articles 23 (*f*), 24 and 25 of the Covenant of the League of Nations, and in order to facilitate the discharge by the League of Nations of the responsibilities which may be placed upon it by provisions of the various Treaties of Peace, the Assembly of the League of Nations resolves as follows :—

That a permanent International Health Organisation be established as part of the organisation of the League of Nations.

Functions of the Organisation.

It will be the task of the Organisation to deal with such matters as affect individual countries only in their relation to other countries.

The main functions of the Organisation may be summarised under the headings which follow, and their exercise shall be determined by the Permanent Committee :—

(*a*) To advise the League of Nations in matters affecting health.

(*b*) To bring Administrative Health Authorities in different countries into closer relationship with each other.

(*c*) To organise means of more rapid interchange of information on matters where immediate precautions against disease may be required (*e.g.*, epidemics) and to simplify methods for acting rapidly on such information where it affects more than one country.

(*d*) To furnish a ready organisation for securing or revising necessary international agreements for administrative action in matters of health, and more particularly for examining those subjects which it is proposed to bring before the Standing and General Committees, with a view to International Conventions.

(*e*) In regard to measures for the protection of the worker against sickness, disease and injury arising out of his employment which fall within the province of the International Labour Organisation, the International Health Organisation will co-operate with and assist the International Labour Organisation, it being understood that the International Labour Organisation will on its side act in consultation with the International Health Organisation in regard to all health matters.

(*f*) To confer and co operate with international Red Cross Societies and other similar societies.

(*g*) To advise, when requested, other voluntary organisations in health matters of international concern.

(*h*) To organise missions in connection with matters of health at the request of the League of Nations and with the concurrence of the countries affected.

The permanent International Health Organisation shall consist of (1) the Office International d'Hygiène Publique, which, with certain additions set out below, will become the General Committee ; (2) a Standing Committee ; and (3) an International Health Bureau. In carrying out its duties the Organisation shall conform to the general principles laid down in the Resolution of the Council, as to the relations between the Technical Organisations and the Council and the Assembly of the League of Nations, passed at Rome 19th May 1920.

The Office International d'Hygiene Publique.

The Office International d'Hygiène Publique, changed as indicated below, shall, subject to the approval of the Governments signatory to the International Agreement signed at Rome, 9th December 1907, form part of the new Permanent International Health Organisation. The headquarters of the Office International d'Hygiène Publique shall remain in Paris.

Members of the General and Standing Committees and of the staff of the International Health Bureaus shall have the right to use the library of the Office International d'Hygiène Publique and its rooms in Paris shall be available for special meetings if required.

The Office International d'Hygiène Publique shall undertake such duties of a technical character as may be assigned to it by the Standing Committee, in accordance with the resolution agreed to by the Committee of the Office International d'Hygiène Publique at the meeting held in Paris on 30th October 1919.

The Office International d'Hygiène Publique will, subject to the consent of the Governments signatory to the International Agreement signed at Rome 9th December 1907, agree to such alterations as may be found necessary in the "Statutus Arganiques" of the Rome Convention of 1907 (especially Article 15) and in the rules governing the internal administration of the Office, especially Article 8 of Part I. of these Rules, but no alteration shall be made in Part II. with regard to the "Caisse des Retraites et de Secours," which is prejudicial to any person entitled to benefit therefrom.

The General Committee.

The General Committee shall consist of the Delegates to the Office International d'Hygiène Publique now holding appointments in accordance with the International Agreement signed at Rome, 9th December 1907, or who may hereafter be so appointed by any country party to that Agreement, together with delegates appointed by countries not parties to the Agreement of 1907 but Members of the League of Nations.

The General Committee shall meet at least once a year at the headquarters of the Office International d'Hygiène Publique in Paris. In cases of emergency the Council may convene the General Committee for an extraordinary session.

The General Committee shall appoint its own President, regulate its own procedure, and may at any time appoint sub-committees to consider any special question. Any delegate may at any time call in the assistance of technical advisers, but the advisers shall not vote.

A delegate, however, who during the progress of a Session may for any reason be unable to attend any particular meeting, may, by notice in writing addressed to the President, appoint an adviser to act as his deputy, and this adviser while so acting shall be allowed to vote.

The Standing Committee.

The Standing Committee shall elect its own Chairman and regulate its own procedure, but shall meet not less than four times a year, and may in addition at any time be called to deal with questions requiring urgent consideration. It shall be empowered to form sub-committees and to call in technical advisers on special points, but these advisers shall have no voting power.

Full reports of the Proceedings of the Standing Committee and of all sub-committees shall be submitted to the General Committee and to the Secretary-General of the League of Nations through the Medical Secretary.

The Chairman and members of the Standing Committee shall hold their appointments for three years only, but shall be eligible for reappointment or re-election.

The International Health Bureau or Personnel of the Standing Committee at the seat of the League of Nations.

This shall consist of (*a*) a Medical Secretary ; (*b*) personnel.

The Medical Secretary shall be appointed by the Standing Committee in consultation with the Secretary-General and shall be responsible to this Committee for the efficient working of the International Health Bureau, and for any other duties that may be assigned to him by the Standing Committee. He shall have the right of direct access to the Secretary-General of the League of Nations, and shall be empowered to have direct communication with all Government Health Offices.

He shall be entitled to attend all meetings of both Standing and General Committees and shall be a member *ex officio* of all Committees and sub-committees.

The personnel of the International Health Bureau at the seat of the League of Nations shall be appointed by the Standing Committee in consultation with the Medical Secretary, and, as far as possible with due regard to the efficiency of the work of the office, shall consist of persons of different nationalities.

The headquarters of the International Health Bureau shall be at the seat of the League of Nations.

Conventions.

The Standing Committee shall be empowered to draw up any draft new Conventions or revise existing ones.

These Conventions must, however, be submitted to the General Committee for consideration and approval, and a majority of two-thirds of the votes of the General Committee will be required on the final vote for the adopting of the draft Convention.

In framing any Convention the Committee shall in all cases consult with the Economic and Transit Organisations of the League of Nations where the matter is in any way likely to affect International Commerce, Communications or Transit. If it be decided that the draft Convention shall be adopted, it shall be signed by the President of the General Committee and the Medical Secretary of the International Health Bureau, and then be deposited with the Secretary-General. This draft Convention will be submitted by the Council of the League of Nations to the Governments concerned with an invitation that if they approve the Convention, the Convention should, within as short a time as possible, and without further examination, be signed by plenipotentiaries.

Each country undertakes to ratify a draft Convention thus signed and deposited before one year has passed or to signify to the Secretary-General, before the expiration of that period, its decision not to ratify and the reasons for that decision, and each member of the General Committee undertakes himself to keep the question of the draft Convention before the Authority within whose competence the matter lies, with the object of obtaining a decision as soon as possible from the country which he represents.

Any Convention so ratified shall be registered by the Secretary-General of the League of Nations, but shall only be binding upon the country which ratifies it.

Each member of the General Committee agrees to make special or annual reports on the measures which the country he represents has taken to give effect to the promises of the Convention to which it is a party, and these reports shall be made when and in such form as the Standing Committee may prescribe. Similar reports shall be requested from countries not signatory to the Convention concerned on matters affecting the subject-matter of the Convention.

These reports shall be circulated to all members of the General Committee, and shall in addition be given publicity in the Press if necessary.

Expenses.

The expenses of all new organisations, special committees and administrative charges of the International Health Bureau of the League of Nations shall be paid from the consolidated funds of the League.

The Medical Secretary of the International Health Bureau shall prepare in advance an annual statement of all the ordinary expenditure for submission to the Standing Committee, whose duty it will be to recommend sanction for the proposed expenditure to the Council of the League of Nations through the medium of the Secretary-General. Extraordinary expenses shall be submitted by the Medical Secretary to the Standing Committee, which will present the same as a matter of urgency to the Council of the League of Nations through the medium of the Secretary-General.

The Medical Secretary shall be responsible to the Secretary-General of the League of Nations for the proper expenditure of all moneys paid to him, and shall submit to such audit as may be deemed desirable.

Until otherwise determined, the expenses of the Office International d'Hygiène Publique shall be paid as at present by contributions according to the apportionment of the International Agreement signed at Rome, 9th December 1907.

The Office International d'Hygiène Publique shall from time to time submit to such auditing of expenditure as may be deemed desirable by the Secretary-General of the League of Nations, in regard to any sums applied by the League to provide for the expenses noted above.

The Secretary-General of the League of Nations shall render all possible assistance to the Permanent International Health Organisation."

D.—Composition of the Standing Committees for Transit and Health.

The Second Committee is of opinion that the question of the composition of the Standing Committees for Transit and Health should be the subject of resolutions distinct from those which lay down the broad lines of these two organisations.

After an exchange of views which followed expositions by the delegate of Venezula(who had taken up the resolution presented by the Argentine Delegate) and by the delegate of Chile, the Committee agreed by a majority on the two following Resolutions, which give effect in some measure to the desiderata formulated by these delegates. These are now submitted to you as supplementary resolutions :—

Resolution regarding the composition of the Transit Standing Committee.—"This Committee shall consist of members nominated by those Members of the League which are permanently on the Council, in the proportion of one Member by each of those Members of the League and also of eight Members selected in a manner to be determined by the Conference, having regard as far as possible to technical interests and geographical representation."

Resolution regarding the composition of the Health Standing Committee.—"The Standing Committee shall consist of delegates of the States permanently represented on the Council of the League of Nations, five Members elected by the General Committee—having regard to their scientific attainments and to geographical representation—the President of the General Committee, a representative of the League of Red Cross Societies and a representative chosen by the Governing Body of the Labour Conference."

Now that this report, the length of which I admit exceeds the usual limits, has been read, and that the Resolutions have been voted upon, I will not occupy the attention of the Assembly for a moment longer.

Even taking into consideration the technicality of the subject, I cannot doubt that universal public opinion will be impressed by the rapidity and cordiality with which such important decisions have been arrived at.

The League of Nations is now in a position to approach in the terms of the Covenant those questions which concern the very life of humanity,—Commerce, Finance, Transit, Health,—and you will not be surprised if your reporter adds, in conclusion, the special necessities of the regions devastated by the war ; all these subjects are in future to be entrusted to the best qualified men for investigation and study. It will now be for them to bring before us the fruits of their labours, and if, as we have every reason to hope, the results are very beneficial they will be due to your wisdom, to your desire for agreement, to your high conception of human fellowship.

ANNEX 6.—*Report of Committee No. II, by Sir William Meyer, on the general supervision over the execution of agreements with regard to the Traffic in Opium and other dangerous drugs in accordance with Article XXIII. of the Covenant.*

I have the honour, in accordance with the task imposed upon me, to submit to the Committee an account of the questions at issue in respect of Item 15 on the General Agenda of the Assembly. That item is there described thus :—"General supervision over the execution of agreements with regard to the traffic in opium in accordance with Article XXIII. of the Covenant (at the request of the Government of the Netherlands)."

I may remark here that it is not merely opium that is in issue, but other and more dangerous drugs of a like character such as morphia, cocaine, and their derivatives. See in this connection Article 23 (*c*) of the Covenant.

In order that the Committee may fully appreciate the importance of the questions involved, I think it is desirable to give a short historical summary of the international action hitherto taken.

International Opium Commission, Shanghai, 1909.

This Commission was convened at Shanghai in 1909 on the initiative of the United States. The following nations were represented :—United States, Austria-Hungary, China, France, Germany, Great Britain, Japan, Netherlands, Persia, Portugal, Russia and Siam. This Commission made the following recommendations :—

(1) That the Chinese Government and people were to be congratulated on the sincerity and success of their efforts to check the opium traffic.

(2) That each delegation should move its own Government to take measures for the gradual suppression of opium-smoking in its own territories.

(3) That the use of opium in any form otherwise than for medicinal purposes being in almost every participating country a matter for prohibition or for careful regulation, such systems of regulation should be re-examined with a view to making them still more stringent.

(4) That all countries represented having strict laws against smuggling of imported opium, similar strictness should be shown in the regulation of opium exports.

(5) That the sale and distribution of morphine already constituted grave danger and each Government should take drastic measures to control the manufacture, sale and distribution of this drug and of other deleterious derivatives of opium.

Other recommendations urged the suppression of opium divans, and the application of strict pharmacy laws in foreign concessions and settlements in China, and the prohibition of the trade in deleterious anti-opium remedies.

Anglo-Chinese Agreement, 1911.

On the 5th May 1911, an Agreement was signed between His Britannic Majesty's Government and the Chinese Government, which embodied Great Britain's effort to show a practical appreciation of the recommendations of the 1909 Commission. By this Agreement the work of an earlier agreement (1907) was hastened so as to bring the import trade of opium from India to an end *pari passu* with the progress of the Chinese Government in stopping the production of opium in China. As a result of this Agreement, the formerly legitimate foreign opium trade in China came entirely to an end on the 31st December 1917. India, I am say, thereby sacrificed revenue amounting to several million pounds sterling.

International Opium Convention, 1912.

Meanwhile, on the 1st December 1911, an International Opium Conference met at The Hague, again on the initiative of the United States of America, and on that Conference I had the honour to represent the British Empire. The aim of this Conference, as stated in the preamble to the Convention it drew up, was to advance a step further on the road opened by the International Commission of 1909, and to bring about the gradual suppression of the abuse of opium, morphine and cocaine, as also of the drugs prepared or derived therefrom which give rise to similar abuses. This Conference was more formal in character than the 1909 Commission, whose functions had been merely advisory. The delegates at The Hague Conference were empowered to sign a Convention,

which was to have the force of a treaty. The following Powers were represented :—United States of America, China, France, Germany, Great Britain, Netherlands, Italy, Japan, Persia, Portugal, Siam and Russia. On the 23rd January 1912 the International Opium Convention was signed. The principal articles in the Convention are as follows :—

(1) *Raw Opium.*—The contracting Powers undertake to enact laws for the control of the production and distribution of raw opium, and to limit the number of ports through which export and import shall be permitted.

(2) *Prepared Opium.*—The contracting Powers will take measures for the gradual and effective suppression of the manufacture of, internal trade in, and use of prepared opium. They will prohibit the import and export of prepared opium, except as regards those Powers which are not ready to prohibit it immediately : and even they undertake strictly to regulate the traffic and prohibit it as soon as possible.

(3) *Medicinal Opium, Morphine, Cocaine, Heroin, &c.*—The contracting Powers will enact pharmacy laws to confine the manufacture, sale and use of such drugs to medicinal and legitimate purposes. They will co-operate with one another to prevent the use of these drugs for any other purposes. Every effort will be taken to regulate the import and export, and to prevent these drugs coming into the possession of unauthorised persons ; they will not be exported from the territories of one contracting Powers to those of another, except when consigned to persons furnished with the licences or permits provided for by the laws or regulations of the importing countries.

A special Chapter is devoted to the trade with China, in which the contracting Powers undertake to reduce *pari passu* with measures taken by China itself the opium shops and dens in foreign terrritories, concessions and settlements in China ; and to prevent smuggling and illegal use of postal facilities in that country.

The contracting Powers were to examine the possibility of making it a penal offence to be found in illegal possession of opium and kindred drugs.

They are to communicate to one another, through the Ministry for Foreign Affairs of the Netherlands, the text of existing laws, or future laws and regulations, and statistical information bearing on the subject. Any Power not represented at the Conference was to be invited by the Netherlands Government to sign the Convention.

Finally, the Netherlands Government were to invite all the Powers, and not merely those represented at the Conference, to ratify the Convention with its protocol. As soon as the ratifications had been deposited, the Netherlands Government were to notify all the Powers, and the Convention was to come into force three months after the date upon which the last ratification had been deposited. Laws, regulations and other measures arising out of the Convention were to be prepared not later than six months after the entry into force of the Convention ; and the date on which these laws, regulations, &c., were to come into force was to be arranged by the Powers concerned, at the instance of the Netherlands Government.

By the protocol to this Convention the Conference expressed its wish (1) to direct the attention of the Universal Postal Union to the urgency of regulating the transmission through the post of raw opium, morphine cocaine, &c., and of prohibiting the transmission of prepared opium ; and (2) to study the question of Indian hemp, with the object of regulating its abuses.

An article of the Convention provided for the assembling of a further Conference in the event of delay in obtaining the signatures of all the Powers invited. Accordingly a second International Opium Conference met in 1913, and decided that although certain Powers who had been invited to sign the Convention had not then done so, the deposit of the ratifications might nevertheless take place. A third Conference was held at The Hague on the 15th-16th June 1914. By that time 44 out of 46 Powers had decided to sign the Convention ; 11 of the former had already ratified, 14 more were disposed to do so, while not one of the remaining 19 signatories had expressed any intention of not proceeding to put the Convention into force. The non-signatories were Turkey (for economic reasons) and Serbia (because she had been unable to study it sufficiently).

The points secured by the Third Conference were as follows :—

(1) An all but unanimous expression of opinion on the part of the signatory Powers represented in favour of the Convention coming into force without awaiting the signature by the remaining two invited Powers. Germany alone opposed this resolution.

(2) An absolutely unanimous request to the Netherlands Government to press for early ratification by all the signatory Powers which had not yet ratified in order that the Convention might come into force as soon as possible.

(3) A recognition by the Conference, although with several abstentions, of the feasibility of enforcement by a group of Powers who might be ready to co-operate for that purpose without awaiting the automatic enforcement of the Convention (provided for in Article 24) after ratification by all the signatory Powers. The date as from which such group enforcement might take place was fixed as the 31st December 1914, and a special protocol was to be provided for Powers desiring to co-operate to this end for signature by them.

The Netherlands Ministry for Foreign Affairs was unanimously requested to make urgent representations to all signatory Powers to complete their ratifications in order that the Convention might come into force as soon as possible.

At the time of the Third Conference Great Britain had not yet ratified the Convention owing to technical difficulties concerning the signature and ratification on behalf of the various Dominions and Colonies ; these difficulties, however, had ceased to exist, and the British delegates were instructed to inform the Conference that His Majesty's Government would deposit the instruments of ratification as soon as the necessary formalities had been carried out. Unfortunately the outbreak of the war suspended progress in this promising experiment in international legislation.

The Opium Convention and the Versailles Treaty, 1919.

By Article 295 of the Treaty of Peace with Germany it is provided that those of the high contracting parties who have not yet signed or who have signed, but not yet ratified, the Opium Convention signed at The Hague on the 23rd January 1912, agree to bring the said Convention into force, and for this purpose to enact the necessary legislation without delay, and in any case within a period of 12 months from the coming into force of the treaty. Furthermore, they agree that ratification of the treaty should, in the case of Powers which have not yet ratified the Opium Convention, be deemed in all respects equivalent to the ratification of that Convention and to the signature of a special protocol, which was opened at The Hague in accordance with the resolutions adopted by the Third Opium Conference in 1914 for bringing the said Convention into force. For this purpose the Government of the French Republic was to communicate to the Netherlands Government a certified copy of the protocol of the deposit of ratifications of the Versailles Treaty and to invite the Government of the Netherlands to accept and deposit the said certified copy as if it were a deposit of ratifications of the Opium Convention and a signature of the additional protocol of 1914.

According to Article 23 (*c*) of the Covenant of the League of Nations, the members of the League "will entrust the League with the general supervision over the execution of agreements with regard to the traffic in women and children, and the traffic in opium and other dangerous drugs."

Similar provisions apear in the treaties with Austria (Treaty of Saint-Germain, Article 247), with Hungary (Treaty of the Trianon, Article 230), with Bulgaria (Treaty of Neuilly, Article 174) and with Turkey (Treaty of Sèvres, Article 280). This last is of special interest, as Turkey was one of the Powers which had refused to sign the original Opium Convention.

Signatories of the Opium Convention.

The following Powers signed the Opium Convention as original signatories :—

Germany, United States, China, France, Great Britain, Italy, Japan, Netherlands, Persia, Portugal, Russia, Siam.

The following Powers who were not parties to the Convention signed at the invitation of the Netherlands Government :—

Argentina, Belgium, Bolivia, Brazil, Bulgaria, Chile, Columbia, Costa Rica, Cuba, Denmark, Dominican Republic, Ecuador, Spain, Guatemala, Haiti, Honduras, Luxemburg, Mexico, Montenegro, Nicaragua, Norway, Panama, Paraguay, Peru, Roumania, Salvador, Sweeden, Switzerland, Uruguay, Venezuela.

The following Powers, which had not signed before, became signatories through the signing of one or more of the Treaties of Versailles, Saint-Germain, Trianon, Neuilly, and Sèvres :—

The Hedjaz, Liberia, Poland, the Serb-Croat-Slovene State, Czecho-Slovakia, Armenia, Turkey, Austria, Hungary, Greece ; also the British Dominions and India, which in respect of The Hague Convention itself were represented by Great Britain.

Ratification of the Opium Convention.

The following Powers have independently ratified the Opium Convention :—

United States of America, Belgium, China, Denmark, Ecuador, Guatemala, Italy, Portugal, Siam, Brazil, Sweeden, Venezuela, Honduras, Netherlands, Spain, Norway, Uruguay, Great Britain, Nicaragua.

The following Powers have ratified the Opium Convention through ratification of one or more of the Treaties of Versailles, Saint-Germain, and Neuilly :—

France, Japan, Bolivia, Cuba, Greece, Haiti, Liberia, Panama, Peru, Poland, Roumania, the Serb-Croat-Slovene State, Czecho-Slovakia, Germany, Austria, Bulgaria ; also the British Dominions and India.

Of the States which have now signed the Opium Convention in one form or another the following do not yet appear to have ratified :—

The Hedjaz, Persia, Chile, Argentina, Luxemburg, Mexico, Costa Rica, Dominican Republic, Salvador, Columbia, Paraguay, Turkey, Hungary, Armenia, Switzerland.

The following newly-recognised, or not yet recognised, Powers have not signed the Opium Convention :—

Finland, Latvia, Lithuania, Esthonia, Georgia, Azerbaijan, Soviet Russia.

It may interest the Committee to know what steps have in the meanwhile been taken in the British Empire for action in accordance with the terms of the Convention.

The British Dangerous Drugs Act, 1920.

So far as the United Kingdom is concerned, legislative sanction was obtained for enforcing the terms of the Opium Convention by the Dangerous Drugs Act (10-11 Geo. V., Ch. 46), which came into operation on the 1st September 1920. The principal articles of the Act may be summarised as follows :—

(1) *Raw Opium.*—Export and import entirely forbidden except under licence and through approved ports. Power to make regulations for controlling or restricting production, possession, sale and distribution of raw opium.

(2) *Prepared Opium.*—Export and import entirely forbidden ; the manufacture, possession, sale and use of prepared opium, and possession of opium-smoking utensils, made a penal offence.

(3) *Cocaine, Morphine. &c.*—Import and export prohibited except under licence. Power to make regulations for controlling manufacture, sale, possession and distribution, &c., of these drugs.

Heavy penalties are provided for infringement of the Act, and provision made for inspection of the premises and books of those engaged in the manufacture, sale, &c., of the drugs.

Action taken in the British Empire generally.

Furthermore, regulations for restricting the traffic are being brought into effect and strengthened, where necessary, in the self-governing Dominions and other parts of the British Empire; and information regarding these regulations is being collected and will be communicated in accordance with Article 21 of the Convention. As regards India, substantial effect has been given to the provisions of The Hague Convention, and the Government of India have been asked by His Majesty's Government to examine the whole body of law and procedure and make such alterations and amendments as may be necessary to bring it into precise agreement with the provisions of The Hague Convention.

Action taken by British Foreign Office.

Lord Curzon in a circular-despatch of 22nd March 1920, drew the attention of His Majesty's Representatives abroad to the obligations incurred under the Opium Convention. His Lordship went on to state that there is reason to believe that, in spite of the efforts of His Majesty's Government and of the other Governments concerned, morphia produced in the United Kingdom is at present reaching the Far East in quantities largely in excess of the amount required for legitimate purposes, and His Majesty's Government are therefore of opinion that it is desirable that steps should be taken forthwith to regulate the export to all countries, whether their Governments are parties to the Opium Convention or not, of the drugs specified in Chapter 3 of the Convention. An arrangement has been made by His Majesty's Government with the United States, French and Japanese Governments whereby no consignment of morphia, or kindred drugs, is allowed to be exported from the United Kingdom to any of the countries in question except on the production of a certificate from the Government concerned stating that it is satisfied that the consignment is required exclusively for legitimate medical or scientific purposes, and will not be re-exported.

His Majesty's Representatives were instructed that it was desired to extend this system as widely as possible, and that the various Governments were to be approached with a view to ascertaining whether they would be prepared to enter into a similar arrangement with His Majesty's Government, without prejudice to any legislation of a stricter nature which they might introduce at a later date, in regard to their imports from the United Kingdom of medical opium and other deleterious drugs. At the same time they were warned that in the event of any country being unwilling to adopt this proposal, His Majesty's Government might be obliged to refuse licences. Replies to this circular have been received from 13 countries, and, although they raise a variety of different points which are now being dealt with, they are all favourable in character. The question of the adoption of similar arrangements by other parts of the British Empire has been recently submitted to the Governments and administrative authorities concerned for their consideration.

Action taken under the Postal Union Convention.

Finally, with reference to the Protocol of the 1912 Opium Convention, and the desire therein expressed that the Universal Postal Union should take steps to regulate the transmission of opium and kindred drugs through the post, it may be noted that under the terms of the present Postal Union Convention it is forbidden to send by post any article whatsoever of which the importation or circulation is prohibited by the country of destination. Many postal administrations, including the Chinese, prohibit or restrict under regulation the importation by post of opium and kindred drugs.

I now come to the letter from the Netherlands Minister in London to the Secretary-General which is among our papers and has placed the matter before the Assembly and this Committee. After discussion of the previous conditions, which I have covered somewhat more fully in my own remarks, the Netherlands Government points out that, under the Convention, it had various honourable and special duties attaching to it. As regards ratification, it considers that the steps which have culminated in the recent Treaties have practically solved the matter. There remains the task laid upon the Netherlands Government as an intermediary through which the different Powers will communicate to each other the regulations and measures connected with opium, &c., as well as statistical data bearing on the matter. Also the duty entrusted to it by Article 24 of The Hague Convention of initiating fresh negotiations, where necessary, in respect of questions arising in connection with future concerted action. The Netherlands Government, as I think very justly, holds that the establishment of the League of Nations and the provisions made under Articles 23 (*c*) and 24 of the Covenant should now be held to relieve it of the duties which it has hitherto so honourably and efficiently performed; in fact, it should pass over to the League the duties imposed on it by The Hague Convention.

The letter ends with the proposals (1) that the States which are especially interested in the campaign against opium shall be represented on the Committee entrusted with the preparation of a report on the opium question, and (2) that this Committee shall be instructed to submit to the Assembly a proposal for the organisation of he work to be accomplished by the League of Nations, in this matter, having special regard to the provisions of the Opium Convention.

The first proposal has already been met by the establishment of the present Committee, which included representatives of all the Members of the League of Nations. The second is one which the Committee must now take up and discuss. I suggest that there are two alternatives. (*a*) That the work of supervising the execution of the International Opium Agreements be left entirely to the Council of the League with the assistance of its Secretariat, reports being made from time

to time to the Assembly. (*b*) It might be desirable to appoint a special commission representing the Members of the League most interested in opium matters, to assist the Council and the Secretariat in this matter. The principal States interested are, I suggest, Great Britain, France, the Netherlands, India, China, Japan and Siam. I do not consider it incumbent on me as reporter to express myself in favour of one or other of these alternatives. I leave that to the decision of the Committee.

We have of course to face the difficulty that the United States and Germany are not yet Members of the League, but it would surely be possible to move those Governments to forward to the League Secretariat the information which they would otherwise, by Article 21 of the Opium Convention, have to submit to the Netherlands Government. If they should take exception to this they could still address the Netherlands Government, which would in turn pass the information on to the League Secretariat.

(Signed) W. S. MEYER.

Annex 7.—*Report of Committee No. II. on Item 18 of the Agenda : "Passports for Members of the Secretariat of the League of Nations."*

Mr. President, Gentlemen,

The draft resolution which the Second Committee has the honour to present to you has been prepared by a sub-committee composed as follows :—France (M. Hanotaux, Chairman) ; British Empire (Mr. Barnes) ; Spain (M. Quiñones de Léon) ; Uruguay (M. Fernandez y Medina) ; Serb-Croat-Slovene State (M. Politch, Rapporteur). The resolution has been considered and adopted unanimously by the Second Committee, presided over by M. Jonescu. The following is an account of the matter.

On the invitation of the Council of the League of Nations, the Secretary-General submitted to the Provisional Committee for Communications and Transit a memorandum on the question of the application of passport formalities to the officials of the League of Nations, with reference to the provisions of Article 7 of the Covenant of the League of Nations. This Article lays down that officials of the League of Nations shall enjoy diplomatic immunities and seems to imply that the officials of the League should hold passports of a diplomatic character.

The Secretary-General pointed out that the issue, in the usual form, of diplomatic passports by the various States to officials of the League is attended by serious disadvantages both of a practical and a general nature.

From a practical point of view, the necessity for officials of the League (who often have to undertake at short notice journeys to different countries on special missions with which they are entrusted) to obtain a diplomatic visa on every occasion would have a detrimental effect upon the normal working of the Secretariat, and especially now, since the League of Nations has been installed at Geneva.

On the other hand, it would be contrary to the spirit of a purely international institution such as the Secretariat of the League of Nations, if the fact that these officials were entrusted with missions of an international character should imply the consent—in the form of passports—of the States to which the members belonged.

With this memorandum before them, the Conference on Passports, Customs Formalities and Through Tickets, decided at its meeting in October last to accept the conclusions of the Memorandum and to propose that the Secretary-General should be delegated by States Members of the League of Nations to issue special passports to members of the Secretariat and to officials of the League.

These passports would be valid without visa in the territory of all States belonging to the League. Powers other than States Members of the League would be requested to apply to these passports a diplomatic visa.

The Secretary-General of the League of Nations would be responsible for the issue of these passports to their holders and for their withdrawal as soon as the latter ceased to be entitled to them. Permanent passports would be issued by the Secretary-General to the permanent staff of the League, and the temporary staff of the Secretariat would receive passports valid only for the duration of their duties.

A list containing the names of the holders of passports issued or withdrawn would be periodically submitted by the Secretary-General to all the Governments.

The Secretariat-General, when issuing such passports, would take every kind of precaution with regard to the identity of their holders, in agreement with the authorities of the country to which the holder belonged, and also with the Swiss authorities.

The view of the Secretariat-General as well as of the Passport Conference may be definitely summed up as follows :—

Diplomatic passports valid without visa should be issued by the Secretary-General.

Your Committee considered that while there is no doubt that Article 7 of the Covenant grants to officials of the League the enjoyment of diplomatic privileges and immunities during the discharge of their duties, nevertheless the proposed formula, if it were not modified, would give rise to difficulties of a legal and practical nature.

From the legal point of view the issue of a passport is an administrative act, an act of sovereignty and authority. Now it is evident that the League of Nations is not a State possessing sovereignty of its own, as it is obvious that there can be no "national" of the Secretary-General.

On the other hand, it is not possible for States to delegate one of their rights of sovereignty to the Secretary-General by means of a resolution passed by the Assembly ; this would necessitate a new international agreement, which would have to be submitted for ratification by Governments concerned.

For these reasons the Committee, though fully realising the importance of the practical considerations put forward by the Secretary-General, does not feel able to adopt his scheme ; it proposes, however, that he should be authorised to furnish members of the Secretariat with identity cards, at sight of which the Government of which the holder is a national will issue a diplomatic passport, or cause it to be issued by any of its diplomatic representatives, or by its consular agent at Geneva. The period for which such a passport is valid will depend on the nature of the duties entrusted to each agent by the Secretary-General.

Seeing that diplomatic passports issued to diplomatic representatives require to be *vise,* the Committee considers it unavoidable that visas should be reintroduced for members of the Secretariat.

In view of these considerations, we venture to submit for your approval the following Resolution :—

The Assembly of the League of Nations, after having considered the draft Resolution regarding passports for members of the Secretariat and officials of the League of Nations. '

After having heard the Report of the Rapporteur of the Commission, Dr. Ladislas Politch, delegate of the Kingdom of the Serbs, Croats and Slovenes,

has adopted the following Resolution :—

"The Secretary-General of the League of Nations shall deliver to members of the Secretariat and officials of the League an identity card certifying the identity of the holder and the nature of his official duties. On presentation of this card and at the request of the Secretary-General, the Government of which the holder is a national shall deliver or cause to be delivered by any of its diplomatic representatives or by its consular agent at Geneva, a diplomatic passport permitting the official to carry out the mission with which he is entrusted, with the benefit of all privileges and immunities provided for in Article 7 of the Covenant, and valid for the duration of such mission in the limits indicated by the Secretary-General.

"Diplomatic visas will be given gratuitously—Whenever necessary—on the request of the Secretary-General of the League of Nations by the diplomatic or consular agents of the Powers in whose territory the official will be travelling in accomplishment of his mission."

(Signed) LADISLAS POLITCH, *Rapporteur.*

ANNEX 8.—*Report on the establishment of a Court of International Justice submitted to the Third Committee by Dr. Hagerup on behalf of the Sub-Committee.*

(Assembly Document 199.)

The Sub-Committee has devoted conscientious and detailed study to the draft scheme for an International Court of Justice and the different amendments proposed thereto.

It has the honour herewith to submit to the Committee the text which it proposes for the Committee's adoption.* It takes the liberty of accompanying the text with the explanations which follow, and to add the general remark that it has felt bound to make certain slight alterations in the English text to make it correspond as closely as possible with the French text. These alterations being purely in form and language, it does not seem necessary to enter into fuller explanations with regard to them.

The Sub-Committee further desires to make the following general observation : It has not dealt with the question, raised by the Italian Delegation, as to whether the draft should be accompanied by a preamble, for this is connected with the question of the form which the draft is to take (whether it is to be a Convention or whether it is to be simply adopted by the Assembly of the League of Nations).

Article 1 (text adopted by the Council at Brussels, Article 1).—The words "to which Parties shall have direct access" have been deleted, on the ground that, since the provisions of the draft scheme of The Hague with regard to the right of unilateral arraignment have been modified, they involve a certain ambiguity.

The proposal made by the Argentine Delegation to suppress the Permanent Court of Arbitration of The Hague was unanimously rejected by the Sub-Committee. It was thought that this Court would still have a *role* to fill in certain international disputes which lend themselves more easily to arbitral decision than to an award based on strict rules of law. Further, it was pointed out that the present scheme cannot abolish a Convention signed by several States which are not Members of the League of Nations.

Article 3 (Brussels Article 3).—The Sub-Committee has not adopted the Colombian amendment, which had already been urged before the Committee. Its purpose was to establish a distribution of judges between the different Continents in certain proportions. Such a rule was considered too rigid, and was deemed unnecessary in view of the provision in Article 9 which enables the same result to be obtained by a more flexible rule.

Articles 4 and 5 (Brussels Articles 4 and 5).—It was pointed out that the provisions in these Articles involve the difficulty that not all the Members of the League of Nations are signatories of the Conventions of The Hague relating to the Permanent Court of Arbitration, and consequently that some of them have no national groups in this Court. Several amendments were proposed to meet this difficulty. Some of them assigned to the Governments the right of nominating candidates, either generally or else in the case of those States which are not signatories of the Convention. The Sub-Committee has not adopted any of these amendments. It considered that the nomination

*Not reprinted : for final text *see* Appendix VI., Annex 1.

should be as far as possible independent of political considerations, and that the Governments which would have to vote on the candidates in the Council and Assembly should not have their hands tied in advance by the nomination of these candidates. Consequently the Sub-Committee decided upon the following solution :—

In countries which have no national groups on the Permanent Court of The Hague, the nomination shall be made by a body consisting of persons appointed for this purpose by their Governments under the same conditions as those presented for members of the said Court.

An Argentine amendment proposed increasing the number of candidates to five. As this question had been very fully discussed by the Jurists' Committee at The Hague, the Sub-Committee decided that it should not alter the solution adopted in the draft scheme.

Article 6 (Brussels Article 6).—There were certain doubts in the Sub-Committee as to the utility of retaining this Article. It was pointed out that in several countries it would be difficult, if not impossible, to comply with its provisions. On the other hand, the fact was emphasised that the question here was one of a mere recommendation which, if followed, would provide a kind of guarantee for the choice of the most competent persons. This being the case, the Sub-Committee thought it should not suppress the Article.

Article 8 (Brussels Article 8).—An Italian amendment proposed laying down the rule that elections in the Council and Assembly should take place simultaneously. The Sub-Committee did not adopt this amendment, which would make it impossible to establish the necessary contact between the two bodies in the election.

Article 9 (Brussels Article 9).—The Sub-Committee has replaced the words "veillent à ce que" by "auront en vue que" to effect a closer conformity between the French and English texts, the latter of which seems the more exact expression of the idea of the authors of the draft scheme.

Article 10 (Brussels Article 10).—On the proposal of the Canadian delegate, the Sub-Committee has altered the second paragraph of this Article to make it clear that it is essential for the proper application of this provision, not that the persons elected should be merely of the same nationality, but that they should be subjects of the same Member of the League of Nations.

Article 12 (Brussels Article 12).—On the suggestion of the British delegate, the Sub-Committee has slightly modified the wording of the third paragraph so as to empower the joint conference, in case a first attempt to reconcile the diverging opinions does not succeed, to proceed to repeated nominations of candidates until it becomes evident that it cannot arrive at any result.

On the other hand, the Sub-Committee thought that there was no sufficient reason for increasing the number of members of the Joint Conference to 10, as proposed by the British delegate, when the number of States permanently represented on the Council is increased in conformity with Article 4 of the Covenant.

Article 14 (Brussels Article 14).—A British amendment proposed the deletion of the last sentence of this Article. In support of this amendment, reference was made to the inconvenience of electing judges for a term which might be very short and to the possible difficulty of finding a competent candidate willing to accept election under these conditions. Mention was also made of the danger to the continuity of the work of the Court involved in a complete and simultaneous renewal of all the seats. On the other side, it was urged that the second sentence of Article 14 was intimately connected with the system designed in the draft to establish an equitable distribution of the seats between the different parts of the world. The Sub-Committee held that this last consideration was conclusive.

Article 16 (Brussels Article 16).—Both the form and principle of this Article were criticised. It was pointed out that the provision lacked clearness and that the English text, particularly, was difficult to understand and to apply. As for the principle, it was observed that the Article did not go far enough in determining cases of incompatibility.

The Italian delegate proposed a new paragraph for the Article, to the following effect :—

"The function of a member of Parliament shall not be considered as belonging to the political direction of States, within the meaning of this Article."

The Sub-Committee, while rejecting this amendment, was nevertheless unanimous in recognising that the exercise of the function of judge by members of a Parliament as in the House of Lords in England ("Law Lords") should not be incompatible with the duties of a member of the Court.

The Sub-Committee has adopted the following text :—

"Members of the Court may not hold any political or administrative office or post."

Article 18 (Brussels Article 18).—An Italian amendment proposed that for the dismissal of a judge unanimity on the part of the other judges should not be required, but merely a strong majority.

The Sub-Committee considered that unanimity alone was a sufficient guarantee against the possibility of undue influence upon a resolution of so grave a character as that in question.

The Sub-Committee has added to the second paragraph of the Article the words "by the Registrar," to avoid the implication that the President of the Court must personally give the notification required in this paragraph.

Article 19 (Brussels Article 19).—The Sub-Committee has given this Article a wording corresponding to that of Aricle 7 of the Covenant, where the question of the immunities of officials of the League of Nations is dealt with.

The Sub-Committee was of opinion that the question of the situation of judges in their own countries should not be prejudiced by the solution adopted.

Article 23 (Brussels Article 23).—With regard to the provisions in the first two paragraphs of this Article, the question was raised in the Sub-Committee whether a date should be fixed in the text for the commencement of the ordinary Session of the Court, or whether it was not better to leave to the President the duty of convening the Court on a suitable date. In this connection a proposal was made to delete the second paragraph and substitute for the first paragraph the following text :—

"An ordinary session, to be convoked by the President, shall be held every year."

The Sub-Committee has thought fit to retain the original of the Article. It was thought that it would be of advantage to persons who might be nominated as judges, as well as to all those who might have recourse to this tribunal, to know in advance exactly when the ordinary sessions would commence.

The Swiss Delegate had proposed the following addition to the third paragraph :—

"Particularly when a dispute is submitted to it under Article 12 of the Covenant."

The Sub-Committee considered that the words "whenever necessary" have sufficient scope to cover any hypothesis.

Article 24 (Brussels Article 24).—In the first paragraph the Sub-Committee has substituted the words "should not" for "cannot" in order to make it clear that the circumstances contemplated are not merely such as render it impossible for a judge to perform his duties, but such as impose on him a moral duty to retire.

Article 25 (Brussels Article 25).—An Italian amendment proposed adding to this Article the following provisions :—

"The quorum of nine, however, is sufficient to constitute the Court, without prejudice to the right of each party to demand that the argument and decision of the case shall be deferred until 11 judges are present."

The Sub-Committee preferred not to give the parties this influence on the composition of the Court.

Article 26 (British amendments Article 26 *bis*).—Apart from international disputes which may, in a general way, arise out of Labour questions, the Treaty of Versailles, Articles 416, 418 and 423, specifically provides that the Permanent Court of Justice shall have jurisdiction to deal with certain disputes which may occur in connection with the performance of duties imposed by the International Labour Conventions ; there are similar provisions in other Treaties of Peace. These disputes may present features which are not of an exclusively legal character ; and in order to provide a guarantee that the Court shall be able to adjudicate in the cases with full knowledge of all the various factors which must be taken into account, and at the same time to gain for the Court the full confidence of the peoples, it has been thought desirable to take special measures with regard to these cases. M. Albert Thomas, Director of the International Labour Office, has proposed adding, for the settlement of these questions, to the regular judges of the Court, judges chosen from amongst persons of known competence in Labour legislation and social questions. The Sub-Committee has not thought it possible to go so far. It has considered that it would be sufficient, to attain the desired end, to give these experts, as suggested in a British proposal, the character of assessors, who shall take their place beside the judges and deliberate with them in an advisory capacity, but without taking part in the decision itself. This solution, moreover, is in conformity with a proposal made by M. Albert Thomas in a letter dated 20th February 1920, addressed to the Secretary-General of the League of Nations.

With regard to the choice of these assessors, it must be borne in mind that in the different questions which may be submitted to the Court by virtue of the Treaties mentioned above, the special competence required may not always be of the same character. When it is necessary to decide what sanction must be provided for the Convention in relation to a State which has not performed its duty, the expert required by the Court will, in the first place, be a person with financial or economic knowledge, whereas in considering questions relating particularly to Labour it will be advisable to have the points of view of the employers as well as of the workmen explained in the Court. The Sub-Committee has tried to take these considerations into account in the text which it now submits.

Both the British proposal and that of M. Thomas set up a special Chamber of the Court for these cases, consisting of a smaller number of ordinary judges than that provided in Article 25 of the draft. These judges will be appointed for three years, in order to ensure that they will acquire special competence in the questions concerned, and that the jurisprudence of the Court may with a greater amount of certainty maintain continuity.

As, however, some members of the Committee pointed out with considerable emphasis that it would be more difficult to realise the principles laid down in Article 9 of the draft when the number of judges taking part in a decision is considerably reduced, the Sub-Committee has given the Chamber power to adjudicate only on the request of the parties. In the absence of such request, the Court will sit with the ordinary number of judges. But in any case, the judges will be assisted by assessors in conformity with the rules explained above.

Article 27 (British amendments Article 26 *ter*).—Similar considerations to those appealed to in connection with the rules of Article 26 also apply in cases relating to Transit and Communications, particularly in the questions mentioned in Part 12 (Ports, Waterways, Railways) of the Treaty of Versailles, and the corresponding parts of the other Peace Treaties. In these matters as well, the questions which the Court will have to decide will generally be of a very technical character, which may make co-operation with experts highly desirable. For these reasons, the Sub-Committee has felt bound to adopt a British proposal to lay down for these cases rules analogous to those of Article 26.

Article 28 (British amendments Article 26 *quarter*).—In certain cases it may be an advantage to give the Court the power of meeting in a place other than The Hague for the settlement of the questions mentioned in Article 26 and Article 27. In proposing to give the Court this power, the Sub-Committee assumes that the Court may make it incumbent upon the parties to defray the expenses of such a measure.

Article 30 (Brussels Article 27).—The Sub-Committee considered superfluous the words "governing the conditions under which the Vice-President shall take up his duties." It has, therefore, deleted these words. In the Committee's opinion it goes without saying that the Court will have power to lay down in its rules of procedure that a Vice-President, for example, whose domicile is too distant to permit his being summoned at short notice to fulfil his duties, must live at the seat of the Court.

Article 31 (Brussels Article 28).—To conform with the changes made in Articles 4 and 5, the Sub-Committee has replaced in the second paragraph the words "by some national group in the Court of Arbitration" with the words "as provided in Articles 4 and 5."

On the suggestion of the Italian delegate, the Sub-Committee proposes to add to the fourth paragraph the words "any doubt on this point shall be settled by the decision of the Court."

An Italian amendment had proposed adding the following phrase to the last paragraph: "They shall not, however, be included in the quorum of nine, or of eleven judges, stipulated in Article 25."

In the Sub-Committee's opinion this went without saying.

Article 32 (Brussels Article 29).—In conformity with the draft scheme drawn up by the Jurists' Committee at The Hague, the Sub-Committee has added a paragraph providing a regulation for the pensions of the personnel of the Court, without, however, making any pronouncement upon the question as to whether a right to such pensions should be granted.

Article 34 (Brussels Article 31).—This Article establishes rules for the competence of the Court *ratione personae*. It lays down that the Court shall have jurisdiction to hear and determine suits between States. It consequently excludes private individuals from presenting themselves before the Court. While retaining this rule, the Sub-Committee has considered that it would be expedient to express it in clearer form and to assimilate the position of all the Members of the League of Nations to that of States.

The Sub-Committee unanimously recognises the right of States to present themselves as joint parties before the Court.

Article 35 (Brussels Article 32).—The wording of this Article seemed lacking in clearness, and the Sub-Committee has recast it in an effort to express clearly what follows:—

(1) To the Members of the League of Nations and the States mentioned in the Annex to the Covenant the Court is open. The expression "Member of the League of Nations" includes those who subsequently enter the League as well as the present Members.

(2) The access of other States to the Court will depend either on the special provisions of the Treaties in force (for example, the provisions of the Treaties of Peace concerning the right of minorities, labour, etc.), or else on a resolution of the Council. Such resolution may lay down conditions of access in conformity with Article 17 of the Covenant, but in no case must these conditions result in any inequality of the parties before the Court.

Articles 36 and 37 (Brussels Articles 33 and 34).—The Sub-Committee has had before it several amendments tending to extend more or less the sphere of compulsory jurisdiction and the right of the parties to proceed by way of unilateral arraignment. The Sub-Committee has decided that it could not adopt these amendments, and that it should rather retain the principles enunciated on this point in the Council's draft. Whatever differences of opinion there may be on the interpretation of the Covenant with regard to the acceptance of a compulsory jurisdiction within the scope of its provisions, and upon the political expediency of adopting an unconditionally compulsory jurisdiction in international relations, the Sub-Committee was unable to go beyond the consideration that unanimity on the part of the Members of the League of Nations is necessary for the establishment of the Court, and that it does not seem possible to arrive at unanimity except on the basis of the principles laid down in the Council's draft.

With regard to the terms in which the Council has formulated these principles, the Sub-Committee considered that the rule governing the jurisdiction of the Court would gain by a slightly different expression. The text adopted by the Sub-Committee aims at formulating as clearly as possible the following ideas:—

(1) The jurisdiction of the Court is in principle based upon an agreement between the parties. This agreement may be in the form of a special Convention submitting a given case to the Court, or of a Treaty or general Convention embracing a group of matters of a certain nature.

(2) With regard to the right of unilateral arraignment contemplated in the words ("and this without any special agreement giving it jurisdiction") in the Council's draft, the Sub-Committee, by deleting these words, has not changed the meaning of the draft. In conformity with the Council's proposal, the text prepared by the Sub-Committee admits this right only when it is based on an agreement between the parties. In the Sub-Committee's opinion, the question must be settled in the following manner:—If a Convention establishes, without any reservation, obligatory jurisdiction for certain cases or for certain questions (as is done in certain general arbitration treaties and in certain clauses of the Treaties of Peace dealing with the rights of minorities, labour, etc.) each of the parties has, by virtue of such a treaty, the right to have recourse without special agreement (*compromis*) to the tribunal agreed upon. On the other hand, if the general Convention is subject to certain reservations ("vital interests," "independence," "honour," etc.), the question, whether any of these are involved in the terms of the Treaty, being for the parties themselves to decide, the parties cannot have recourse to the International Tribunal without a preliminary agreement (*compromis*).

(3) Finally, the Sub-Committee thought that it should establish the rule that when a treaty or a convention provides for reference to a tribunal to be established by the League of Nations, the Court established by the present draft shall be that tribunal. This provision will have a practical application, particularly in the cases mentioned in the Treaties of Peace for submission to an International Tribunal. It does not include existing conventions which refer certain disputes either to a Court of Arbitration generally or to the Permanent Court of Arbitration of The Hague. To substitute the new Court of International Justice for these Courts of Arbitration would require a special agreement.

Article 38 (Brussels Article 35).—An Argentine amendment proposed a new text for this Article, intended, among other things, to limit the power of the Court to attribute the character of precedents to judicial decisions.

The Sub-Committee has not adopted this amendment. On the contrary, it considered that it would be one of the Court's important tasks to contribute, through its jurisprudence, to the development of international law.

The Sub-Committee has, however, made the following changes in the Article :—(1) At the beginning of the Article it has deleted as unnecessary the words "within the limit of its jurisdiction as defined above," also the words "in the order following." (2) At the end of No. 3 it has added a new clause in order to give a more flexible character to this provision and to permit the Court, if necessary, and with the consent of the parties, to make an award *ex æquo et bono*.

(Brussels Article 36).—Article 14 of the Covenant provides that the Assembly and the Council may ask the Court for advisory opinions. The Sub-Committee considers that these opinions should, in every case, be given with the same quorum of judges as that required for the decision of disputes, and that there is no need to maintain the distinction established in this respect by the draft scheme between the cases where a question submitted to the Court is the subject of a dispute which has actually arisen, and where there is no existing dispute. This distinction seemed lacking in clearness and likely to give rise to practical difficulties.

The Sub-Committee was further of the opinion that the draft here entered into details which concerned rather the rules of procedure of the Court.

Accordingly, the Sub-Committee proposes that this Article should be suppressed.

Certain proposals to give either to the Government or to the International Labour Office the right of asking the Court for advisory opinions have not been adopted by the Sub-Committee, which considers that such provisions would involve a considerable extension of the duties of the members of the Court and might lead to consequences difficult to calculate in advance.

(Brussels Article 36 *bis*).—The Sub-Committee was of opinion that it should suppress this Article, which had been proposed by the Secretariat-General as a result of the changes made by the Council in the text of The Hague. The Sub-Committee did not consider that there was any necessary relation between the new rules laid down in the Council's draft as to the jurisdiction of the Court and the rules of procedure proposed in this Article. In its opinion the procedure to be followed before the Court should be the same in every case, without any distinction between the different grounds of its jurisdiction (special Convention of the Parties or pre-existing obligation under a Treaty) but without prejudice to the right of the parties to modify the procedure in so far as it depends upon the rights which they may renounce.

Article 39 (Brussels Article 37).—A Spanish amendment proposed adding to the last paragraph of this Article the following clause :—

"This authorisation cannot be refused when it is requested by all the parties to the dispute."

The Sub-Committee has not adopted this amendment. It considered that such a rule might give rise to difficulties for the judges, by imposing on them the necessity either of knowing several languages or of having the pleadings translated by interpreters.

Article 40 (Brussels Article 38).—The Sub-Committee has slightly modified the wording of this Article without changing its principle.

Article 42 (Brussels Article 40).—On the proposal of the British delegation the Sub-Committee has made a slight change in the wording of this Article. On the other hand, it was unable to adopt the Argentine amendment, which was to the following effect :—

"The Parties shall be represented by Agents."

"They may have Counsel or Advocates to represent them or to plead before the Court."

Only the Agents can represent the Parties, but they may at the same time fill the *rôle* of Advocates.

Article 43 (Brussels Articles 41, 42 and 43, 1st paragraph).—On the suggestion of the Italian delegate the Sub-Committee has combined 41, 42 and the first paragraph of 43 (Brussels text) in a single Article, because a clearer arrangement of the connected matters treated therein is thus obtained, the first paragraph of 43 (Brussels text) having no relation to the other provisions in that Article.

Article 46 (Brussels Article 45).—The question of the publicity of the sessions of the Court was exhaustively discussed by the Sub-Committee. On the one hand it was maintained that it was not possible to apply in their entirety, to disputes between States, the principles accepted in national Courts. Publicity, or even the decision of the Court in a particular case to hold a private session, might in international disputes give rise to undesirable incidents, and exercise a regrettable influence upon the work of the Court. For this reason it had been proposed either that non-publicity should be the rule, or else that the text should leave to the Court complete liberty in deciding the

question whether the session was to be public. On the other hand it was pointed out that the principle of the publicity of judicial discussion was of capital importance in winning for the Court and its judges the confidence of the public, and that non-publicity should always be an exception. The last opinion prevailed in the Sub-Committee, which has, however, left to the Court the power of holding a private session, either when it considers that there are reasons for so doing, or when both parties request it.

Article 51 (Brussels Article 50).—The Committee has studied the question whether Agents, Advocates, and Counsel should have the right to put questions directly to the witnesses and experts, or whether this should always be done through the President. It was decided to leave it to the Court to settle this question in its rules of procedure.

Article 53 (Brussels Article 52).—In the second paragraph the Sub-Committee has deleted as unnecessary the words "supported by substantial evidence."

Article 57 (Brussels Article 56).—There was an exchange of views in the Sub-Committee on the provision proposed by the Council with regard to the right of dissenting members of the Court to have heir individual opinions published. Though several members would have preferred not to grant such a right, the Sub-Committee decided not to depart from the Council's proposal, which is strongly advocated especially by the Anglo-Saxon jurists. The reasons upon which the proposal is based are shown in the Council's report.

Article 61 (Brussels Article 59).—An Argentine amendment proposed dispensing with any limitation of the period for the application for revision. Because of the difficulties which might result from a revision taking place at a time when a certain situation, based on the judgment of the Court, had become established and had existed for many years, the Sub-Committee was unable to adopt this proposal.

The Sub-Committee has, however, made two changes in this Article :—

1. Extension of the absolute period of limitation from 5 to 10 years.

2. Introduction of a very short period (six months) for the right of making an application for revision after the discovery of the new fact.

Article 62 (Brussels Article 60).—An Italian amendment also proposed giving the International Labour Office, as well as other international institutions of similar character, the power of intervention in cases before the Court. The Sub-Committee considers that such a power would be contrary to the terms of Article 34, which lays down that only States may be parties before the Court.

Article 64 (Brussels Article 62).—The Sub-Committee unanimously recognises that the terms of this Article do not prevent division of the costs between the parties in accordance with an agreement between them.

An Argentine amendment proposed adding to the draft scheme a new Article in the following terms :—

"The final award of the Court shall be binding upon the contesting States. Any State which refuses to comply with the final award of the Court shall be excluded from the League of Nations. If the failure to carry out the decision is of a nature capable of disturbing the peace of the world, the Assembly and the Council shall have the power to take the measures provided."

The Sub-Committee has not thought fit to adopt this proposal, which would appear to contain an amendment or addition to the Covenant.

It was also proposed to add a clause expressly applying to the decisions of the Court the sanctions provided in Article 13 of the Covenant, as has already been done in Article 69 of the Treaty of St. Germain and the analogous provisions contained in the treaties relating to the position of minorities. The Sub-Committee considers such a clause superfluous in view of the provisions in the Covenant and the above-mentioned treaties.

ANNEX 9.—*Report of Committee No. III. on the establishment of a Court of International Justice.*

(Assembly Document 216.)

The Assembly of the League of Nations referred to the Third Committee the draft schemes for an International Court of Justice and the amendments proposed thereto by the various Governments, and by certain members of the Assembly. The Committee appointed a Sub-Committee of 10 members, five of whom had formed part of the Jurists' Committee at The Hague. The Sub-Committee submitted to the Committee the report and the draft attached thereto (*see* Assembly Document No. 199). Both report and text have been unanimously adopted by the Committee, with the following modifications :—

Article 5.—In the first paragraph the Committee has introduced a provision to the effect that the nomination of candidates must be carried out within a given time.

The Committee has increased the number of candidates who may be nominated in order to give the different groups a larger opportunity to propose candidates of universally known competence, but of a nationality other than that of the nominating group. In no case, however, can more candidates be nominated than double the number of seats to be filled. If, for example, there is only one seat, the number of candidates to be nominated will be two.

Articles 16 *and* 17.—The Committee considered that it would be an excessive measure to apply the provisions of these Articles as a whole to the deputy judges. It has therefore introduced special rules for the deputy judges.

Article 26.—After hearing the Director of the International Labour Office, the Committee has added to this Article a provision empowering the Director to furnish the Council with all necessary information ; for this purpose, the Director will receive copies of all written documents of procedure.

Article 36.—On the motion of the Brazilian delegate, the Committee has added a new paragraph to this Article, empowering States and Members of the League of Nations who may be willing to accept compulsory jurisdiction in a larger measure than provided for in the first paragraph of the Article, to make declarations on this subject either at the time of ratification or at a later moment.

The effect of this provision is as follows : It gives power to choose compulsory jurisdiction either in all the questions enumerated in the Article or only in certain of these questions. Further, it makes it possible to specify the States (or Members of the League of Nations) in relation to which each Government is willing to agree to a more extended jurisdiction.

Article 41.—The Committee has slightly altered this Article in such a way as to make it cover omissions which infringe a right, as well as positive acts.

The question as to the form in which the Statute of the Permanent Court of Justice should be adopted was the subject of long discussions and of detailed study both in the Sub-Committee and in the Committee.

On the one hand, it was insisted that a Convention or Protocol signed by the Governments and submitted for ratification would be necessary.

On the other hand, it was pointed out with much force that it would considerably weaken the authority of the Assembly and establish a harmful precedent if a unanimous resolution of the Assembly had to be submitted to the Governments for further approval.

The Committee finally agreed that, in view of the special nature of the terms of Article 14 of the Covenant with regard to the Constitution of the Permanent Court of Justice, it would be possible to submit that Constitution to the Governments for approval without establishing a precedent for other resolutions of the Assembly.

The Committee thinks it may assume that the unanimous adoption of the draft-scheme will be followed, within a short time, by ratification on the part of all the Members of the League of Nations, so that the elections necessary for the establishment of the Court may take place at the next meeting of the Assembly.

ARTICLES 5, 16, 17, 26, 36, and 41 as amended by the Third Committee on 10th December 1920.

Article 5 (Brussels Article 5).—At least three months before the date of the election, the Secretary-General of the League of Nations shall address a written request to the members of the Court of Arbitration belonging to the States mentioned in the Annex to the Covenant or to the States which join the League subsequetly, and to the persons appointed under para. 2 of Article 4, inviting them to undertake, within a given time, by national groups, the nomination of persons in a position to accept the duties of a member of the Court.

No group may nominate more than four persons, not more than two of whom shall be of their own nationality. In no case must the number of candidates nominated be more than double the number of seats to be filled.

Article 16 (Brussels Article 16).—The ordinary members of the Court may not exercise any political or administrative function. This provision does not apply to the deputy judges except when performing their duties on the Court.

Any doubt on this point is settled by the decision of the Court.

Article 17 (Brussels Article 17).—No Member of the Court can act as Agent, Counsel, or Advocate in any case of an international nature. This provision only applies to the deputy judges as regards cases in which they are called upon to exercise their functions on the Court.

No member may participate in the decision of any case in which he has provisionally taken an active part as Agent, Counsel, or Advocate for one of the contesting parties or as a Member of a national or international Court, or of a Commission of enquiry, or in any other capacity.

Any doubt on this point is settled by the decision of the Court.

Article 26 (British amendments, Article 26 *bis*).—Labour cases, particularly cases referred to in Part XIII. (Labour) of the Treaty of Versailles and the corresponding portions of the Treaty of Peace, shall be heard and determined by the Court under the following conditions :—

The Court will appoint every three years a special Chamber of five judges, selected so far as possible with due regard to the provisions of Article 9. In addition, two judges shall be selected for the purpose of replacing a judge who finds it impossible to sit. If the parties so demand, cases will be heard and determined by this Chamber. In the absence of any such demand the Court will sit with the number of judges provided for in Article 25. On all occasions the judges will be assisted by four technical assessors sitting with them but without the right to vote, and chosen with a view to ensuring a just representation of the competing interests.

If there is a national of one only of the parties sitting as a judge in the Chamber referred to in the preceding paragraph, the President will invite one of the other judges to retire in favour of a judge chosen by the other party in accordance with Article 31.

The technical assessors shall be chosen for each particular case in accordance with Rules of Procedure under Article 30 from a list of "Assessors for Labour Cases" composed of two persons nominated by each Member of the League of Nations and an equivalent number nominated by the Governing Body of the Labour Office. The Governing Body will nominate, as to one half, representatives of the workers, and as to one half, representatives of employers from the list referred to in Article 412 of the Treaty of Versailles and the corresponding Articles of the other Treaties of Peace.

In Labour cases the International Labour Office shall be at liberty to furnish the Court with all relevant information, and for this purpose the Director of that Office shall receive copies of all the written proceedings.

Article 36 (Brussels Article 33).—The jurisdiction of the Court comprises all cases which the parties refer to it and all matters specially provided for in Treaties and Conventions in force.

The Members of the League of Nations and the States mentioned in the Annex to the Covenant may, either when signing or ratifying the protocol, to which the present Statute is adjoined, or at a later moment, declare that they recognise as compulsory *ipso facto* and without special agreement, in relation to any other Member or State accepting the same obligation, the jurisdiction of the Court in all or any of the classes of legal disputes concerning :—

(*a*) The interpretation of a Treaty.

(*b*) Any question of International Law.

(*c*) The existence of any fact which, if established, would constitute a breach of an international obligation.

(*d*) The nature or extent of the reparation to be made for the breach of an international obligation.

The declaration referred to above may be made unconditionally or on condition of reciprocity on the part of several or certain Members or States, or for a certain time.

In the event of a dispute as to whether the Court has jurisdiction, the matter shall be settled by the decision of the Court.

Article 41 (Brussels Article 39).—The Court shall have the power to indicate, if it considers that circumstances so require, any provisional measures which ought to be taken to reserve the respective rights of either party.

Pending the final decision, notice of the measures suggested shall forthwith be given to the parties and the Council.

Draft Resolution.

1. The Assembly unanimously declares its approval of the draft Statute of the Permanent Court of International Justice—as amended by the Assembly—which was prepared by the Council under Article 14 of the Covenant and submitted to the Assembly for its approval.

2. In view of the special wording of Article 14 the Statute of the Court shall be submitted within the shortest possible time to the Members of the League of Nations for adoption in the form of a protocol duly ratified and declaring their recognition of this Statute. It shall be the duty of the Council to submit the Statute to the Members.

3. As soon as this protocol has been ratified by the majority of the Members of the League, the Statute of the Court shall come into force and the Court shall be called upon to sit in conformity with the said Statute in all disputes between the Members or States which have ratified, as well as between the other States, to which the Court is open under Article 35, para. 2, of the said Statute.

4. The said protocol shall likewise remain open for signature by the States mentioned in the Annex to the Covenant.

Annex 10.—*Court of International Justice. Report of Committee No. III. on Salaries of Members.*

(Assembly Document 248.)

The fixing of the salaries of members of the Permanent Court of International Justice was referred by the Council to the Third Committee. After detailed discussion, the following principles have been approved. They are based on Article 32 of the Statute :—

"The judges shall receive an annual indemnity to be determined by the Assembly of the League of Nations upon the proposal of the Council. This indemnity must not be decreased during the period of a judge's appointment.

"The President shall receive a special grant for his period of office, to be fixed in the same way.

"The Vice-President, judges and deputy judges shall receive a grant for the actual performance of their duties, to be fixed in the same way.

"Travelling expenses incurred in the performance of their duties shall be refunded to judges and deputy judges who do not reside at the seat of the Court.

"Grants due to judges selected or chosen as provided in Article 31 shall be determined in the same way.

"The salary of the Registrar shall be decided by the Council upon the proposal of the Court.

"The Assembly of the League of Nations shall lay down, on the proposal of the Council, a special regulation fixing the conditions under which retiring pensions may be given to the personnel of the Court."

The Committee was of opinion that the annual remuneration of all ordinary judges should be fixed at a minimum of fifteen thousand (15,000) Dutch florins. The special annual allowance assigned to the President was fixed at 45,000 florins, which brings his total remuneration to 60,000 florins a year.

As the other members of the Court are not obliged to live at the seat of the Court throughout the whole year, it was considered that the allowance assigned to them should be proportional to the length of time they should spend at the seat of the Court. In the consideration of this allowance two points of view were advanced : they were fixed partly on the basis of the period of duty, and partly according to the length of residence at The Hague.

The allowance per day for the period of duty has consequently been fixed for each ordinary judge at 100 florins and for the Vice-President at 150 florins. As for the deputy judges, it was considered that a larger duty-allowance should be granted them. The ordinary judges receive an annual salary of 15,000 florins, and it must be taken into consideration that the deputy judges must hold themselves at the disposal of the Court and may be called upon to undertake a more or less unforeseen journey and to abandon their profession or the post which they hold in their country of origin. As they receive no annual salary, it seems just to compensate them by raising their daily allowance to 150 florins.

The subsistence allowance has been fixed for all the members of the Court, except the President, who has a different fixed allowance, at 50 florins per day.

The maximum compensation for the different members of the Court would, calculating the days of session in each year at 200 (Sundays and vacations deducted), amount to 30,000 florins for the Vice-President, 20,000 for ordinary judges and 30,000 for deputy judges.

To ensure an equal position for all the members of the Court of International Justice, by neutralising the different degrees in which their salaries might be affected by taxation in the various countries, the Committee proposes, that all salaries and allowances are to be free of taxation. As however, the decisions of the Assembly might be inoperative as against the fiscal laws applied in the different countries, it has been proposed that the League of Nations should reimburse the members of the Court for any taxes which they may have been obliged to pay.

With regard to travelling expenses, the Committee is of opinion that the expenses of moving the near relatives of members of the Court should be defrayed by the League of Nations.

Finally, the payment of salaries and allowances and the reimbursement for expenses shall take place on the basis of accounts approved by the President.

The table attached to the resolution set out below will give a clear idea of the remuneration allotted to each class of member of the Court.

DRAFT RESOLUTION.

The Assembly of the League of Nations, in conformity with the provision of Article 32 of the Statute, fixes the salaries and allowances of members of the Permanent Court of International Justice as follows :—

	Dutch florins.	
President :		
Annual salary	15,000	
Special allowance	45,000	
Total	60,000	
Vice-President :		
Annual salary	15,000	
Duty allowance (200 × 150)	30,000	(maximum)
Total	45,000	
Ordinary Judges :		
Annual salary	15,000	
Duty allowance (200 × 100)	20,000	(maximum)
Total	35,000	
Deputy Judges :		
Duty allowance (200 × 150)	30,000	(maximum)

Duty allowances are payable from the day of departure until the return of the beneficiary.

An additional allowance of 50 florins per day is assigned for each day of actual presence at The Hague to the Vice-President and to the ordinary and deputy judges.

Allowances and salaries are free of all tax.

ANNEX 11.—*Report on Staff and Organisation of the Secretariat by Sir James Allen, on behalf of Committee No. IV.*

(Assembly Document 229.)

The Committee approves the action of the Council and of the Secretary-General with regard to the staff and organisation of the Secretariat as indicated in Assembly Document No. 32, but makes the following recommendations :—

1. That all members of the Secretariat appointed for a period of five years by the Secretary-General shall, in the case of dismissal, have the right of appeal to the Council.

2. That a list of the staff, showing nationalities and salaries and allowances by classes, be published half-yearly, with the addition to the first and second issues of a list containing an account of the previous services of certain of the higher officials ; and that a further list be prepared and attached to the annual budget, showing the nationality, salary and allowances of each individual member of the staff, and containing a schedule showing the travelling allowances for each class with the amounts paid.

3. That information regarding vacancies on the staff of the League be made as public as possible and that, in filling the various posts, whilst having special regard for efficiency, at the same time consideration be given to the international character of the League.

4. That the staff of the Secretariat be renewed at the termination of each five-yearly period, due regard being given to the retention of sufficient officers to enable the work of the League to be effectively maintained.

(Signed) J. Allen,
Delegate for New Zealand.

13th December 1920.

Annex 12.—*General Report by Sir George Foster, First Delegate of Canada, and Jhr. van Eysinga, Delegate (Substitute) of the Netherlands, on behalf of Committee No. IV., on the First and Second Budgets of the League, covering the period to 31st December 1920, on the Provisional Estimates for the 1921 Budget, and on the future Method of Apportionment of the Expenses of the League.*

Mr. President, Gentlemen,

In distributing the work allotted to the different Committees, the Assembly has entrusted to Committee No. 4, *inter alia*, the examination of :—

Item No. 23 : the first and second budgets of the League, covering the period to 31st December 1920 ;

Item No. 24 : the Provisional estimates for the 1921 budget ;

Item No. 25 : the future method of apportioning the expenses of the League.

The Committee that was formed under the chairmanship of M. Quinones de Léon, Spanish Delegate, and Dr. Restrepo, Colombian Delegate, as Deputy Chairman, has nominated Sir George Foster, Canadian Delegate, as first *rapporteur*, and Jhr. van Eysinga, Delegate (substitute) of the Netherlands, as second *rapporteur* on the above-named questions.

As regards the items 23-25 of the agenda, the Fourth Committee had to deal with a rather considerable number of questions ; as a matter of fact all the work of the League of Nations regarded from the financial point of view came under consideration. The Committee herewith submits its report covering the three budgets, the financial administration and control of the League for the future, and the efficiency of the internal services of the League. The *rapporteurs* have tried to give you as concise and short an explanation as possible of the resolutions and the recommendations which the Committee propose for your adoption.

Para. 1.—First and Second Budgets.

The Council of the League of Nations, on the report presented by M. Quinones de Léon at its session of 19th May 1920, held in Rome, approved the budget estimates submitted by the Secretary-General for the organisation period considered as ending on 31st March 1920, and for the period from 1st April 1920 to date of payment of the next contributions on 30th June of the same year.

The British Comptroller and Auditor-General was called upon by the Council to audit the accounts for the first period. This audit was approved by the Council at its session at San Sebastian on 5th August 1920. The Secretary-General submitted a memorandum (Document No. 20-31-81), which drew attention to the fact that the Council had decided to extend the first period until 30th June 1920, and that therein are included the accounts of the organisation period up to 30th June 1920, audited by the aforesaid British official. These accounts, amounting to 291,078*l.* 15*s.* 10*d.*, show a balance carried forward of 114,271*l.* 11*s.* 8½*d.* This audit was adopted by the Council at the Brussels session in October 1920.

At the San Sebastian session on 5th August 1920, and on the report of the aforesaid officer, the Council approved the budget for the second fiscal period between 1st July 1920 and 31st December 1920. This budget amounted to 10,000,000 gold francs.

It would appear therefore that the Committee might approve these two budgets. The first fiscal period came to an end long ago and the accounts in connection therewith have already been audited ; the second fiscal period will soon be terminated, and we therefore do not think that the Committee could with advantage make a full study of these two budgets. We desire, however, to make two observations thereon which may be useful for the future.

Attention should first be drawn to the fact that the balance remaining over from the budgets of the organisation period has not been carried forward and incorporated in the budget for the second period. According to information given by the Secretary-General, this balance was earmarked (without any previous approval) as the first contribution of the Members of the League towards a working captital fund, which at a later date the Secretary-General proposed to set up. For reasons of practical bookkeeping it is desirable that this reserve should be shown in the budget submitted by the Secretary-General. The Secretary-General should submit regularly as an annex to each budget a list of payments and receipts on account of this working capital fund and a statement as to how this has been utilised.

In the second place it should be noted that it is absolutely necessary to separate the different budgetary periods as fully as possible. In the budget for the supplementary organisation period covering the months of April, May, and June 1920, the sum of 25,000*l.* appears for the International Labour Office. According to information given by the Secretary-General, this amount is only part of the sum to which the Labour Organisation was entitled. However, owing to lack of funds, the Secretary-General was compelled to come to an arrangement with the Director of the Labour Office, and the latter, for the time being, had to be content with a sum smaller than that to which the Labour Office was entitled, on condition that the office should, within the second fiscal period, receive an amount correspondingly in excess of that to which it then should be entitled. No objection will be raised to such an arrangement in case of absolute necessity, but this should in no way modify the amount due to the Labour Organisation in the budgets for one or other of the fisal periods.

Para. 2.—Budget for the year 1921.

The draft budget for the year 1921 was approved by the Council of the League of Nations at the Brussels session on 27th October 1920, and was submitted to the Assembly with full explanations. The Committee proposes its adoption save for the following remarks :—

(1) The budget should include not only the expenditure but also the income ; the contributions of the States Members of the League towards the upkeep of the organisation proper should be kept distinct from the contributions towards the capital and working capital accounts. The headings of the final budget would thus be as follows :—

	Gold francs.
Expenditure :	
I. Direct expenditure	6,565,000
II. Indirect expenditure	3,535,000
III. Capital account	2,000,000
IV. Balance (to form a special working capital fund)	1,890,000
V. Labour Organisation	7,010,000
	21,000,000
Receipts :	
I. Contributions towards ordinary upkeep	10,100,000
II. Ordinary contributions towards upkeep of the Labour Organisation	7,010,000
III. Contributions to capital account	2,000,000
IV. Contributions for working capital fund	1,890,000
	21,000,000

This budget should be called the main budget. Supplementary estimates, necessitated by decisions of the Assembly, are incorporated therein. These supplementary estimates are explained in the "Explanations as to the difference between the Council budget for 1921 and the budget proposed by the *rapporteurs*" (Document No. 20-64-40).

(2) Under Article 399 of the Treaty of Versailles and similar stipulations of the other Treaties of Peace, the expenses of the Labour Organisation which are not borne by the States Members of the League, are to be paid from the general budget of the League. It follows that the bodies which authorise the budget of the League are thereby called upon to decide the amount to be allocated to the Labour Organisation.

It should be noted that the draft budget mentions only the expenditure of the International Labour Office, whereas it applies to the whole organisation. Owing to circumstances fully explained to the Committee by M. Thomas, the estimates of the Labour Organisation were necessarily general and approximative. (Para. 3 deals with this question as regards future budgets.)

(3) The items of the different chapters of the budget should be numbered consecutively.

(4) Item 11 of the Direct Expenditure of the Secretariat includes a sum of 50,000 gold francs for unforeseen expenses. This item is meant to include all ordinary unforeseen expenditures, and no similar items should appear elsewhere in the same chapter of the estimate. In item 4 *b*, however, we find 5,580 gold francs for unforeseen expenditure (*vide* detailed explanation, page 5). This item should be deleted and the sum of 5,580 gold francs added under item 11.

(5) Further items should be included in chapters I. and V. to provide for expenses for the Committee of experts [*vide* para. 2 under (9)] as well as for the expenses of control of the finances of the League (*vide* para. 5).

(6) At its 10th session the Council decided that the Finance Committee of the Assembly should be asked to examine again the question of the interest which the League of Nations pays for money which has to be borrowed in cases where the States Members of the League have not paid their contributions in time for the League to make its payments without borrowing. On the one hand it is not reasonable that this charge should fall on the Members having already paid their contributions as well as on those Members who have not paid. On the other other hand it is extremely difficult to decide from what date interest should run, as the budgets of the different countries are passed at different times of the year. In the circumstances it appears difficult to alter the present conditions under which all Members bear the cost of interest caused by a few who are dilatory in their payments.

The Assembly should make a recommendation to all Governments asking them to take the necessary measures to ensure their contributions being paid at the earliest possible date. Each Government should in any case inform the Secretary-General on 1st January 1921 at what date he may expect payment to be made. For this purpose a supplementary budget estimate in each of the countries would be of great assistance.

(7) Chapter II. also contains a special item (item 25) for unforeseen expenses. Such unforeseen expenses, therefore, will not be paid from the working capital fund. Exception should, however, be made in the case of recoverable expenses, as, for instance, commissions whose expenses will be refunded at a later date by the countries concerned. Since no other unforeseen expenses are to be incurred on account of the working capital fund, it will be necessary to increase to 500,000 gold francs the allocation for such expenses as are provided for under item 25 of chapter II. It must, however, be understood that the unforeseen expenditure provided for in item 25 can be incurred only after having been sanctioned by a special resolution of the Council.

(8) In connection with the organisation, offices, commissions, &c., alluded to in chapter II. of the budget it is necessary that each of these organisations, &c., should prepare its own detailed budget, which should be annexed to the general budget of the League with a detailed explanation. In the matter of expenditure these special budgets should follow the same methods and be subject to the ame control as the general budget of the League of Nations.

(9) The amounts included in the different items of the budget for expenditure call for the following remarks. It should not be forgotten that the whole organisation of the League of Nations had to be created in a very short space of time. This was an admirable, but necessarily a costly, effort.

From the information placed at the disposal of the Committee by the International Labour Office and the Secretary-General, it is possible to realise the great amount of work which has been accomplished by the Secretariat of the League of Nations. It was, however, impossible to form an exact opinion as to whether the Secretariat of the League was working in the most economical and efficient manner, without resorting to a full enquiry by experts. As the League is still in the organisation period, it is not possible to hold such an enquiry and prepare reports which could be used at the present session of the Assembly. We are of the opinion that as soon as possible a small Committee of experts should be appointed to examine and report upon the organisation and methods of work, the efficiency, the number, the salaries and the allowances of the staff, upon the general expenditure of the organisation and upon all other matters necessary to enable the Assembly to form a fair judgment in respect thereto.

In submitting this proposal we have solely in mind the idea of guaranteeing to the League of Nations an organisation as efficient and economical as possible, without desiring thereby to give expression to any unfavourable judgment regarding the work of the administration up to the present time.

In the meantime, we should endeavour to obtain the maximum of efficiency together with the maximum of economy and, so far as possible, avoid entering upon costly enterprises which might eventually be taken up by the League of Nations, but could equally well at present remain in the hands of individual Members of the League or of the existing Unions.

In view of the Resolution adopted by the Council at Rome on 19th May 1920 (*Official Journal*, pp. 125 and 139), the Committee recommended to the Assembly to affirm that, notwithstanding the adoption by the Assembly of the budgets for the first three budgetary periods, the Assembly reserves to itself the right, upon receipt of the report of the Commitee of experts to be appointed in pursuance of the second Resolution, to vary, to such extent as it thinks fit, the rate of remuneration of any officer of the Secretariat.

Para. 3.—Future Budgets.

Concerning the future budgets of the League of Nations, it is important that certain general rules be laid down. In accordance with the provisions of Article 11 of the Rules of Procedure of the Council of 7th May 1920 (*Official Journal*, p. 274), the Secretary-General should, three months at least before the annual session of the Assembly, commencing on the first Monday in September, submit to the Council a draft general budget (Rules of Procedure of the Assembly adopted 30th November 1920, Articles 1 and 4). The States Members of the League of Nations should receive communication of the budget with detailed explanations at least one month before the annual session during which the Assembly is called upon to adopt the budget. Naturally the Assembly could adopt such supplementary estimates as might thereafter be brought before it.

The folowing points should be borne in mind in connection with the Labour Organisation :—

(1) The budget of the Labour Organisation should, in future, be drawn up in gold francs.

(2) The budget should be submitted to the Secretary-General at a sufficiently early date to enable it to be incorporated in the general draft budget of the League.

(3) To this budget should be annexed detailed explanations and a list of the officials of the International Labour Office, with their salaries, allowances and nationality. These lists should be drawn up on the same lines as the similar lists which the Secretary-General of the League of Nations submits to the Assembly as an annex to his budget.

The Secretary-General should inform the Director of the International Labour Office in good time of the dates on which the above-mentioned data will be required.

Para. 4.—Manner in which Expenditure should be incurred.

It is also important that certain general rules should be laid down concerning the manner in which expenditure shall be incurred. No expenditure should be incurred except upon a warrant of the Secretary-General or one of his duly authorised deputies clearly stating both the budget period and the appropriation to which this expenditure is to be charged. In reference to transfers from one

appropriation to another, such transfers should only be made on the authority of the Council, and notice thereof should be sent to each Member of the League. At present we are only concerned with the laying down of general lines for the proper application of the budget. These, in a way, are already indicated by a decision of the Council at its Brussels Session on 27th October 1920.

Para. 5.—Control of Expenditure and Income.

Article 12 of the Rules of Procedure of the Council (*Official Journal*, p. 274) lays down that two members of the Council itself should act as *auditors* and these might be assisted by financial experts of a Government designated by the Council from among the Members of the League.

It should be noted that the League of Nations has already obtained the services of certain Governments for the purpose of audit of the accounts for the past fiscal period. We recommend that this course be pursued in the future. This would ensure an efficient audit and one entirely independent of the authorities which appoint and all grades of the staff. The auditors should, three months before the annual session of the Assembly, present to the Council a report on the accounts and book pay-keeping. The accounts should be finally confirmed by the Assembly at its annual session.

As mentioned in para. 1, the Secretary-General should be asked to submit regularly to the Assembly as an annex to each budget, a list of payments and receipts on account of the working capital fund and a statement of the use to which the latter will have been put.

Para. 6.—Allocation of Expenses of the League of Nations.

According to Article 6 of the Covenant, the schedule in force for the Universal Postal Union shall govern the apportionment of the expenses of the League of Nations. Ever since its first meeting the Committee unanimously agreed that the postal schedule which had been drawn up to meet conditions which have changed considerably, and which only referred to inconsiderable sums, should be modified at the earliest possible opportunity. Everyone acknowledges that the present allocation is very unfair. In order to remedy this situation, two proposals were made. On the one hand, it might be possible to proceed with the negotiations which had already been opened with the Universal Postal Union, with the object of arriving, through its intervention, at a revision of the schedule of the League of Nations.

On the other hand, it might be possible to take preliminary steps with a view to submitting an amendment to the Covenant for the approval of the Assembly at the session to be held in September 1921. There were supporters and opponents to these two proposals, both for practical and theoretical reasons. The solution proposed by the Committee in Articles 13 (*a*) to (*e*) endeavours to combine both methods, and was agreed to by members holding divergent opinions. The revision of the schedule will be prepared by a Committee appointed by the Council; it will consequently be requested to continue the work already undertaken by the Committee appointed by M. Ador at the request of the Council.

Since it is impossible to modify for 1921 the existing schedule, it will necessarily apply to the allocation of the expenses of the League during 1921; on the other hand, according to Article 17, the allocation for 1922 will be so arranged by the Assembly of 1921 that the members who in 1921 will have paid a contribution larger than that contemplated in the new schedule, shall, in 1922, pay a correspondingly smaller amount, and *vice versa*.

Para. 7.—Conclusions.

The remarks included in paras. 3 to 6 (Budget of Expenditure and Income, manner in which the Expenditure is incurred, Control of Expenditure and Income, Allocation of Expenses) mainly concern the financial administration of the League of Nations. This administration is one of the essential parts of the constitution of the League, and it would be very desirable to unite under a single head the different regulations concerning the same. Such a set of regulations would also make it easier to form an adequate judgment on a subject which appears complicated when distributed in different texts. In view of the importance of the matter, these regulations should be laid down by a Resolution of the Assembly.

Para. 8.

In virtue of the foregoing report the Committee has the honour to propose to you the adoption of the following Resolutions and Recommendations :—

First Resolution.—The Assembly of the League of Nations hereby adopts the general budget of the League for the first financial period ending 30th June 1920, together with the budget for the second financial period ending 31st December 1920.

Second Resolution.—The Assembly of the League of Nations hereby adopts the annexed general budget for the year 1921.

Recommendation I.

The Assembly of the League of Nations requests the Members of the League to take the necessary measures to ensure their contribution being paid at the earliest possible date. Each Member should in any case inform the Secretariat on 1st January 1921 on what date it may expect payment to be made.

Recommendation II.

The Assembly of the League of Nations requests the Council to be guided by the principles embodied in the following Articles in regard to the financial administration of the League, and to prepare at the annual Session of the Assembly, 1921, a draft Resolution upon this subject.

Article 1.—Three months at least before the Annual Session of the Assembly, the Secretary-General shall submit to the Council a general draft budget of the League for the following year (expenditure and income) as provided for in Article 399 of the Treaty of Versailles (*sic*), and this shall be at once communicated to each Member of the League.

Article 2.—Draft budgets for the Labour Office and for other organisations, offices and commissions, &c., of the League, and also detailed explanations, lists of officials, their salaries, allowances, and nationalities, shall be attached to the general budgets as annexes. The Secretary-General shall notify the organisations, offices and commissions, &c., referred to, of the date in each year by which these data are to be received.

Article 3.—The Council shall see that the budget, as approved by it, with detailed explanations, shall be in the hands of the Members of the League of Nations at least one month before the annual session of the Assembly.

Article 4.—Upon the adoption of the budget by the Assembly, with or without amendment, the budget shall be operative to the extent of the amounts, for the purposes and services, and for the period specified therein.

Article 5.—Supplementary estimates which may become necessary from any cause shall be submitted with explanations and lists as provided for in Article 2 at the earliest practicable moment to the Assembly which at the then current session shall consider and approve the same, subject to such amendment and alteration as it deems proper.

Article 6.—Expenditure can only be effected by virtue of a warrant signed by the Secretary-General, or one of his duly authorised deputies, in which is mentioned the fiscal period and the appropriation on account of which the expenditure is incurred. Unforeseen expenditure can only be incurred on account of the last item of the second chapter (item 25) if it is authorised by a special Resolution of the Council, which must be immediately communicated to all the Members of the League of Nations.

During the year 1921 transfer from one item to another of the same chapter can be effected by virtue of a special Resolution of the Council, which must be immediately communicated to all the Members of the League of Nations. This action is not to be taken as establishing a precedent.

Article 7.—Except as regards recoverable advances, expenditure which has not been provided for in the general budget cannot be paid from the special working capital fund.

Article 8.—At the beginning of each year the Council shall engage the services of the auditors of a Government chosen by the Council from the Members of the League.

Article 9.—The Secretary-General, or in the case of the Labour Organisation, the Director of the International Labour Office, shall, at the latest, three months after the close of the budgetary period, submit to the auditors all documents necessary for their reports.

Article 10.—Three months at least before the Annual Session of the Assembly, the Auditors shall present to the Council, or in the case of the Labour Organisation to the Governing Body, a report on the correctness of the accounts and bookkeeping. These reports shall be circulated to all the Members of the League.

Article 11.—The Director of the International Labour Office will transmit the audited statement of his accounts together with a copy of the Auditors' Report, to the Secretary-General of the League (Article 399 of the Versailles Treaty), who will submit the same, with his own, to the Assembly.

Article 12.—The Assembly shall finally pass the accounts for expenditure and income.

Article 13.—(*a*) Whilst the existing allocation must from a juridical point of view be observed for the year 1921, the Assembly recommends to the Council the immediate appointment of a Special Committee of five Members, including the Swiss delegate to the Universal Postal Union, to investigate the question of the allocation of the expenditure of the League, with a view to an equitable scheme of allocation being devised.

(*b*) The Committee shall, at the earliest possible moment, not later than 31st March, report to the Council the scheme of allocation which it recommends, and the Secretary-General shall, as soon as possible, transmit a copy thereof to each Member of the League.

(*c*) The Committee shall place itself in communication with the authorities of the Universal Postal Union, with a view to the scheme of allocation which it recommends, with the approval of the Council, being brought into force at the earliest possible date.

(*d*) If the scheme of allocation recommended by the Committee is not adopted prior to the 1st July next, or if any of the Members express disagreement with it, the question of the allocation of expenditure shall be placed on the agenda of the Assembly of 1921.

(*e*) The allocation for 1922 shall be so arranged by the Assembly of 1921 that Members, who shall have contributed in 1921 more than they would have done if the new scheme had been in force will in 1922 pay a corresponding amount less than their quota and *vice versa*.

RECOMMENDATION III.

The Assembly of the League of Nations requests the Council to take the necessary steps to appoint as soon as possible a small Committee of experts to consider all factors connected with the organisation, methods of work and efficiency, number, salaries and allowances of the staff, and with the general expenditure of the organisation as well as with all other points necessary to enable the Assembly to form a fair judgment in respect thereto, both as regards the Secretariat and the International Labour Office. The report of this Committee should be in possession of the Members of the League by 1st June 1921.

ANNEX :—*Third Budget of the League of Nations.*

Summary of Items (Income and Expenditure).

Expenditure	Gold Frs.	Income.	Gold Frs.
A.—*General League Expenditure.*			
1. Direct Expenditure : Working expenses of Secretariat (Art. 6 of Covenant)	6,565,000	1. Contribution towards normal upkeep	10,100,000
2. Indirect Expenditure under League Control	3,535,000	2. Ordinary contribution towards upkeep of Labour Organisation	7,010,000
3. On Capital account ..	2,000,000	3. Extraordinary contribution towards Capital account ..	2,000,000
4. Balance required for creation of special Working Capital fund	1,890,000	4. Extraordinary contribution towards Working Capital fund	1,890,000
B.—*Labour Organisation.*			
5. Estimated requirements for 1921	7,010,000		
	21,000,000		21,000,000

I.—*Direct expenditure of the Secretariat.*

	Gold Frs.
1. Salaries, Wages and Allowances	
(*a*) Secretariat	4,200,000
(*b*) Household Staff	200,000
2. Travelling expenses of Officials of the League	150,000
3. Meeting of Assembly at Geneva	750,000
4. Property Account :	
(*a*) Installation at Permanent Seat of League	25,000
(*b*) Maintenance	219,420
(*c*) Expenses of Offices in London and Paris	100,000
5. Travelling and Subsistence Expenses of Auditor	5,000
6. Further removal expenses (non-recurring)	25,000
7. Publication Department	100,000
8. Office Expenses, Printing, Stationery, Cablegrams, Telegrams, Postage, &c.	550,000
9. Official Journal : Publication and distribution	100,000
10. Interest Charges	75,000
11. Unforeseen Expenses of the Secretariat	55,580
12. Inquiry as to the Organisation of the Secretariat (half of 20,000) ..	10,000
Total of chapter I	6,565,000

II.—*Indirect Expenditure under the control of the League of Nations.*

13. Administrative Commissions and Minorities questions (recoverable).	
14. Freedom of Communications and Transit Organisation : General Conference at Barcelona and subsequent expenses arising therefrom	500,000
15. International Bureaux and Commissions	100,000
16. International Financial and Economic Organisation	760,000
17. Permanent Advisory Commission for Military, Naval, and Air questions	200,000
18. Central Bureau for the Regulation of Arms Traffic	50,000
19. Permanent Court of International Justice	650,000
20. Permanent International Health Organisation	400,000
21. Permanent Mandates Commission : Cost of Meetings of Commission	100,000
22. Repatriation of Prisoners of War :—Expenses of Dr. Nansen, &c. ..	150,000
23. Organisation for the Supervision of the Opium Traffic	50,000
24. International Blockade Commission	75,000
25. Unforeseen Expenses : Special Commissions of Enquiry, &c. (subject to special vote of the Council)	500,000
Total of chapter II	3,535,000
Total of chapters I. and II	10,100,000

* A further sum of 250,000*l.* gold francs was included in the budget as adopted by the Assembly (see para. 113 of our Report).

		Gold frs.
Brought forward ..	..	10,100,000

III.—*Capital Expenditure.*

	Swiss Frs.	
26. Payment on Account of Balance of Purchase Price of Hotel National, Geneva :	—	
(*a*) Second instalment, due 1st May ..	500,000	
Interest estimated at 7 per cent. on 5,000,000 Swiss frs. for 6 months	175,000	
(*b*) Third instalment, due 1st November ..	500,000	
Interest at 7 per cent. on 4,500,000 Swiss frs. for 6 months	157,000	
27. Payments to maintain the Options on adjoining Properties*		
(*a*) "Villa" property—payable 1st November ..	5,000	
(*b*) "Armleder" property—payable 1st May ..	8,333	
payable 1st November	8,334	
28. Furniture :		
For the Hotel National (half payable 1st March, half payable 1st September) estimated value† ..	500,000	
29. Library installation :—		
(*a*) Shelving, &c.	35,000	
(*b*) Books, Periodicals, &c.	200,000	
30. Printing Office (if installed by League)	250,000	
31. Additional Installations of permanent character ..	48,477	
Total in Swiss frs.	2,392,644	
		2,000,000
		Gold frs.
IV.—*Balance.*		
32. Balance required for special Working Capital fund‡ ..		1,890,000
V.—*Labour Organisation.*		
33. Estimated expenditure for 1921 according to Budget passed by International Labour Office (Resolution of 7th October 1920)		7,000,000
34. Expenses for Enquiry (half of 20,000)		10,000
Total gold frs.		21,000,000

Annex 13.—*Report of Sub-Committee B of Committee No. VI. on the Economic Weapon.*

We have held three meetings and have arrived at the following conclusions :—

1. We considered first what recommendations we should make as to the action to be taken on the resolution of the Council adopted at San Sebastian on 3rd August 1920. It will be remembered that on that occasion the Council adopted the Report of Signor Tittoni, and resolved that—

"The Council decides to place upon the agenda of the first Assembly of the League of Nations the consideration of the necessary measures to ensure the application of Article 16 of the Covenant. With this aim in view, it will propose to the Assembly that, as a preliminary measure, an International Blockade Commission should be appointed under the authority of the first Assembly for the purpose of studying the problem and settling the general plan of action, the organisation of the more permanent machinery required, and the principles on which it should work."

In the Report was also contained a paragraph to the effect that—

"A Committee composed of an equal number of members of the Council and of the Assembly may be set up to examine the question of the constitution of this international Commission and its duties."

*These amounts to be deducted from price should it be decided to buy within three years.

†Exclusive of furniture brought from London and office furniture on order in Geneva for delivery in November 1920, these items (200,000 gold frs.) being provided for in the Second Budget.

‡ The second budget of the League authorised the appropriation of the sum of 1,725,000 gold francs for the creation of a working capital or reserve. It was not expected then that the heavy expenses consequent upon the removal of the Secretariat to its permanent seat and its establishment there would be incurred during the second fiscal period.

The transfer having taken place during 1920, the greater part of the sum allocated for the creation of working capital will have been absorbed.

It is, therefore, necessary to include a similar appropriation in the third budget, in order that the League may always have at its disposal sufficient funds to carry on its work. This arrangement is very necessary, owing to the delays which frequently take place in the voting of credits by Parliaments and the fact that certain Members of the League, for this reason, find it impossible to pay their contributions as soon as they become due.

As the Council has consulted the Assembly on these proposals, we are bound to say that it seemed to the Sub-Committee that this was not a very satisfactory piece of machinery, and they therefore decided to recommend that—

"The Council should be asked to appoint an International Blockade Commission to consider the application of Article 16 of the Covenant; the Commission will report to the Council, who shall place the conclusions before the Assembly at its next session for their acceptance, rejection, or amendment without prejudice to any action that may have been provisionally taken upon them. The Commission should not exceed eight in number, with power to summon experts to advise them, and not less than half its members should be persons representing States which have not a right to permanent membership of the Council."

2. It will be observed that in this recommendation the International Blockade Commission are to consider what steps are necessary to bring into *full* effect the provisions of Article 16. But the Sub-Committee were also instructed to consider what steps should be taken immediately to render as effective as possible the Economic Weapon of the League under Article 16. The Committee are aware that under that Article it is the duty of every Member of the League in the case of any Member resorting to war in disregard of its covenants under Articles 12, 13, or 15 to subject it to—

"The severance of all trade or financial relations, the prohibition of all intercourse between their nationals and the nationals of the Covenant-breaking State, and the prevention of all financial, commercial or personal intercourse between the nationals of the Covenant-breaking State and the nationals of any other State, whether a Member of the League or not."

That is a duty which now actually rests upon every Member of the League, but there are two difficulties in the way of its performance. In the first place, it may easily be uncertain whether a State has resorted to war in breach of the Covenant, and no machinery has been provided for ascertaining the facts. In the second place, there are considerable difficulties, which were pointed out in the discussion before the Committee on a previous occasion, in carrying out to the full what may be, for shortness, described as the blockading operations contemplated by the Article.

To obviate these difficulties we propose provisionally and subject to review by the International Blockade Commission :—

(*a*) It shall be the duty of the Secretary-General to call the attention of the Council to any facts which in his opinion show that a Member of the League has become a Covenant-breaking State within the meaning of Article 16.

(*b*) Upon receiving such an intimation the Council shall hold a meeting with the least possible delay to consider it, and shall send a copy of the *proces-verbal* of the meeting to all the other Members of the League.

(*c*) As soon as a Member of the League is satisfied, in consequence of the communication of the *proces-verbal* of the Council, that a breach of Covenant within the meaning of Article 16 has occurred, it is its duty to take measures for the purpose of carrying out the first paragraph of Article 16 ;

(*d*) These measures should include the breaking off of all diplomatic relations. But relations which exist for purely humanitarian purposes may be maintained with the Covenant-breaking State ; and

(*e*) The prevention of any commercial or other intercourse between the residents within its borders and those residing in the Covenant-breaking State. For this purpose the necessary legislation preventing intercourse between the residents of the two States should be immediately passed, according to the constitution of each Member of the League ;

(*f*) Where the Covenant-breaking State has a sea-board, it will be necessary to institute an effective blockade thereof, and the Council should forthwith consider which Members of the League can most conveniently be asked to discharge this duty.

3. Beyond this it is a matter for consideration what further steps ought to be taken to carry out Article 16, and this should be referred to the International Commission. For instance :—

(*a*) It is very desirable that identity of action by all the Members of the League against the Covenant-breaker should be secured.

(*b*) Further, there are questions as to relations between nationals of the Covenant-breaking State and those of other Members of the League which require consideration.

(*c*) It is also desirable to consider, in accordance with the proposals made by Denmark, Norway, and Sweden, what action should be taken in the case of Members of the League who, from smallness of their resources and their geographical position, might be in serious danger if they carried out to the full their obligations under the first paragraph of Article 16 against a powerful Covenant-breaking State. This is a matter which may have to be considered at any moment from a practical point of view if the necessity for coercion of a Covenant-breaking State should arise. In that case the Council would have to take whatever measures it thought suitable for the emergency.

But, both in this last case and in the others before alluded to, the questions involved were thought by the Sub-Committee to be too complicated for them to deal with, and they should, therefore, be referred to the International Blockade Commission, with other difficult questions, such as :—

(*d*) How the blockade can be enforced where a State not a Member of the League is a neighbour of the Covenant-breaking State, and

(*e*) What restrictive measures of a financial character can and ought to be taken.

4.—(*a*) With regard to the States not Members of the League who have been invited under Article 16 to accept the obligations of membership, and have acceded to that invitation, the observations and recommendations in this Report apply to them as if they were ordinary Members of the League.

(*b*) Where a State has been invited and has refused to accept the obligations of membership, and has resorted to war against a Member of the League in disregard of any procedure such as that provided for by Article 15, the Members of the League must treat it in precisely the same way as if it were a Covenant-breaking Member of the League within Article 16.

(*c*) Where neither party to a dispute is a Member of the League, and they both refuse to accept the obligations of membership of the League for the purposes of that dispute, Article 16 does not apply, and the Council are left to take such measures as they think right. But in this last case, if the measures recommended by the Council should involve action by any other Member of the League, it has a right to be summoned to the Council with the position of a full Member for the consideration of the proposed measures, and consequently none of them affecting it can be adopted without its consent.

5. Any proposal which the International Blockade Commission may recommend, and which is of a nature to require amendment of the Covenant, will naturally be referred to the Committee that is to be set up for consideration of all amendments to the Covenant.

ANNEX 14.—*Report of Sub-Committee A. of Committee No. VI. on Armaments.*

The Sub-Committee on Disarmament have held five meetings and have examined Sir Cecil Hurst on the juridical aspect of the Arms Traffic Convention, and three witnesses from the Military Commission established under Article 9 of the Covenant.

The Sub-Committee addressed their attention to the following subjects :—

Arms Traffic Convention.

1. The Sub-Committee were impressed by the great importance of this Convention, and by the desirability of obtaining ratification of the Convention with as little delay as possible.

2. The Sub-Committee, having regard to the paragraph in Article 8 of the Covenant, which runs as follows :—

"The Members of the League agree that the manufacture by private enterprise of munitions and implements of war is open to grave objections. The Council shall advise how the evil effects attendant upon such manufacture can be prevented, due regard being had to the necessities of those Members of the League which are not able to manufacture the munitions and implements of war necessary for their safety,"

discussed the general aspects of the problem and invited the Permanent Military Commission to give evidence upon it. The Sub-Committee ascertained that the subject had not yet been taken in hand by the Military Commission, although the Commission had prepared tables of enquiry for circulation among the Members of the League, which provide for some of the preliminary statistical information upon which a decision might be based. The Sub-Committee consider that the question indicated in Article 8 of the Covenant is one which certainly deserves serious enquiry, and hold that the sooner this inquiry is undertaken the better, in view of the large stocks of war material now accumulated in the belligerent countries. Accordingly, the Sub-Committee recommend that the Council should ask the competent Commissions to consider the question of the private manufacture of armaments and to report on it with as little delay as possible.

3. The Sub-Committee, taking account of the paragraph in Article 8 of the Covenant, which runs as follows :—

"The Members of the League undertake to interchange full and frank information as to the scale of their armaments, their military, naval and air programmes, and the condition of such of their industries as are adaptable to warlike purposes,"

invited the Military Commission to give evidence upon the steps which had already been taken, or which were in contemplation, to give effect to this provision. The Sub-Committee ascertained that the Military Commission have already been asked by the Council to consider plans for obtaining military information ; that a questionnaire has already been prepared and that it will probably be submitted to the Council before the Assembly rises. The Sub-Committee attach importance to the execution of this provision of the Covenant ; and trust that the Council, upon receipt of the Report of the Commission, will communicate it without delay to the Members of the League. The Sub-Committee are also of opinion that if the questionnaire were available for consideration by the Committee of the Assembly before it has terminated its labours, the Committee will probably be glad to take note of it.

The Sub-Committee have no doubt that the Military Commission will, in conjunction with the Secretariat, make all the necessary arrangements for the interchange and publication of the information received in response to the questionnaire issued under the authority of the Council.

Some members of the Sub-Committee having drawn attention to the right of verification as a corollary to and a consequence of a frank and complete exchange of information, the Sub-Committee express the hope that the Council will take into consideration the machinery to be adopted when the principle of verification has been established by an amendment to the Covenant.

4. The Sub-Committee took into consideration the question as to whether it was desirable for the Council to invite the Military Commission to undertake the duty of reviewing or revising the laws of war. The Sub-Committee noted that the question of gas warfare had already been referred to the Military Commission, and that the Commission had reported upon it. While the Sub-Committee are of opinion that the question of defining the sphere of legitimate warfare and of attempting to limit the use of barbarous weapons is of great importance, it is inclined to hold

that the more immediate task of the Military Commission is to prepare the way for the reduction of armaments, and that this task is so formidable and complex that the Commission should not at present be invited to deal with the revision of the laws of war, a matter which involves other than strictly military problems.

5. The Sub-Committee investigated with some care the composition of the Permanent Military Commission and its methods of work. They realise that the Permanent Military Commission is firstly a body of technical advisers to the Council, and secondly, a body of military experts responsible to their respective Governments. The governing idea of the Military Commission is, that through its agency the Council may be placed in immediate contact with responsible military opinion in the States represented on this body. The Sub-Committee, also, agree with the view that the Council is entitled to the best technical advice in respect of the execution of Article 8, and, finally, that the responsibility of the several members of the Military Commission to their respective Governments imparts a special weight to their counsels.

On the other hand, the Sub-Committee were of the opinion (1) that questions would from time to time arise upon which the Council would rightly and properly desire to supplement the technical military advice of its Permanent Military Commission by expert information of another kind, *e.g.*, in the sphere of politics, economics or social science. The Sub-Committee are of opinion that the Council might make use of the Economic Section of the Secretariat, and that it might appoint special civilian committees *ad hoc* to examine from an economic, social or political standpoint such problems connected with disarmament as might from time to time be convenient to submit to it. And (2) that special occasions might arise upon which the Council might be disposed to refer a matter to the Military Commission in their capacity as a body of military experts without reference to their respective Governments.

6. Finally, the Sub-Committee desire in the most solemn way possible to register their belief in the vital necessity of reducing the burden of armaments in the world ; and of influencing public opinion to this end, through a concentrated effort of popular education in the various countries of the League. The Sub-Committee are aware that a comprehensive scheme of disarmament based on a thorough feeling of trust and security as between nation and nation, cannot be looked for at once. They do not ignore the fact that the world is still disturbed, and that a complete and comprehensive scheme of disarmament depends upon the following conditions :—First, upon the complete fulfilment, under the responsibility of the Powers signatory to the Treaties of Peace, of the reduction of armaments imposed by the above-mentioned Treaties upon certain of these Powers ; secondly, upon the exercise of the right of investigation accorded by those Treaties to the Council of the League of Nations, in order to maintain that reduction ; and lastly, upon the collaboration of the other great military Powers which have hitherto remained outside the League.

The Sub-Committee are aware that progress must be effected in successive stages. The first stage would be reached if a general agreement could be framed between Members of the League not to exceed their present scale of armaments save at the request of the League or in circumstances recognised as exceptional. A further measure of progress would be realised if a general agreement were reached for a proportionate and simultaneous reduction either in the scale of armaments or in the existing military budgets of the Members of the League. The third stage would be the acceptance of disarmament, by which term the Sub-Committee understand a scientific and comprehensive reduction of armaments under the supervision of the League to the lowest figure compatible with national security. In other words, the Sub-Committee draw a distinction between limitation of armaments, reduction of armaments, and disarmament, and regard these as three successive stages in the journey which has to be accomplished.

Though the Sub-Committee are aware that in the present disturbed state of the world progress along this road cannot be as fast as the Members of the League would desire, they are nevertheless of opinion that many useful steps in the right direction can and should be taken at once, and these are indicated in the third resolution attached to the Report.

The Sub-Committee are also of opinion that an effort should be made to enlist the interest of Powers at present standing outside the League in the great task of preparing the way for disarmament.

While the Sub-Committee feel that a limitation of armaments is an object which might be achieved with comparative ease, they are not prepared to make positive recommendations with respect to the formula which should govern the subsequent process of reduction. While many members of the Sub-Committee expressed the view that a scheme of proportionate and simultaneous reduction in the existing military budgets of the Members of the League might, with all due and proper qualifications, be found to provide the simplest and most practical formula for reduction, it was realised, on the other hand, that in a period of unsettled prices, and while great military Powers stand outside the orbit of the League, a hard and fast scheme of budgetary reduction is encompassed with difficulties which are not indeed insuperable, but are certainly real. The Sub-Committee conclude by presenting to the Committee the following resolutions.*

Annex 14 (a) :—*Report on the Arms Traffic Convention.*

1. Arms of precision in the hands of individuals in the less civilised areas of the world may constitute a great danger to the peace, order, and security of those areas, and unless a rigid control over the traffic in firearms can be maintained the task of governing those areas is gravely complicated. This fact has been recognised for many years past, and found expression in the Brussels Act, 1890, which instituted a strict control of the Arms Traffic over a large portion of the continent of Africa.

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* Not reprinted here. For the Resolutions and Recommendation adopted by the Assembly, see Appendix II., Resolutions Nos. 24-26, and Recommendation No. 2.

2. There is another element of which account must be taken. Experience in all civilised countries during the last few decades has shown the use which persons of evil disposition, such as anarchists and criminals, can make of high explosives, automatic pistols, and similar commodities ; commodities of which vast quantities must be manufactured and used in time of war.

3. One of the inevitable consequences of a great war is that on its conclusion the belligerent Governments will find themselves in possession of large stocks of arms and munitions of all kinds, and unless some measures of control are taken these stocks may be dissipated as soon as peace is concluded, and may become a source of great danger to other States. It was for this reason that at an early date the Allied Governments decided that it would be well to agree upon a common policy with regard to the disposal of such stocks, and to the control of the traffic in arms and munitions.

4. The Convention signed at St. Germain on 10th September 1919 for the control of the trade in arms and munitions embodies the conclusions of a Special Commission appointed by the Allied Governments to study this question during the Peace Conference in Paris. It deals with the difficulties referred to in the earlier paragraphs of this Report in two ways : firstly, by provisions relating to the control of exports of arms and munitions from the territories of the contracting parties ; and, secondly, by defining the areas within which the arms traffic constituted an especial danger and instituting a very stringent control of imports of arms into such areas.

5. By the terms of this Convention exports of weapons of war (defined as "artillery of all kinds, apparatus for the discharge of all kinds of projectiles, explosive or gas-diffusing, flame-throwers, bombs, grenades, machine guns and rifled small-bore breech-loading weapons of all kinds") and of ammunition for such weapons are to be prohibited absolutely, subject only to one exception, *viz.*, that licences can be granted for exports of such arms for the use of the Government itself or of the Government of another contracting party. Exports of firearms and ammunition not covered by the term "weapons of war" are prohibited to the danger zones referred to above, except under licence. Licences may be granted only if and when the Government granting the licence has satisfied itself that the arms will not be used in a manner which involves any violation of the Convention.

Particulars of all export licences are to be published and also to be communicated to a central office, which will be under the control of the League of Nations. This office will also receive statistical information from the Governments of each of the contracting parties as to all exports of arms which under the provisions summarised above do not entail a licence. Publicity is therefore ensured.

6. The areas within which the trade in firearms is subjected to strict control consist of : Africa (excluding Algeria, Libya, and the Union of South Africa), Trans-Caucasia, Persia, the Arabian Peninsula, and the Asiatic territories which formerly belonged to Turkey, together with a maritime zone, including the Red Sea, the Gulf of Aden, and the Persian Gulf.

Within these areas arms and ammunition can only be imported at specified ports. They must be deposited in warehouses unless they are required for Government use, or are going to localities in which the inhabitants are allowed to have arms in order to protect themselves, or are being moved to other depôts authorised by the Government, or are for use by authorised individuals.

No person can trade in arms without a licence, his premises must fulfil certain conditions, and an exact register must be kept of every item in his stock. A special licence is required if any arms or ammunition are to be moved from one place to another. No person may give or transfer arms or ammunition to another without a licence. Manufacture of arms in these areas is prohibited, except in Government workshops, and repairs of arms are prohibited, except in licensed workshops.

There are also provisions prohibiting the transport of arms in dhows or other native vessels of less than 500 tons, except between ports of the same State ; in the latter case, arms can be transported with a licence.

7. The Convention was signed by all the Allied Powers at Paris, and contained a clause pledging the parties to use their utmost efforts to induce all Members of the League of Nations to adhere to it. As between the parties the Convention replaces the provisions of existing international conventions on the subject, *i.e.*, the arms traffic portion of the Brussels Act.

8. In addition to the general prohibition of the exports of arms, munitions and war material by the ex-enemy Powers which is provided for in the various treaties of peace (*e.g.*, Versailles, Article 170, para. 2) each of these Powers undertakes to accept and observe any Convention made by the Allied Powers relating to the trade in arms (Versailles, Article 126, St. Germain 373, Neuilly 290, Trianon 356, Sèvres 9).

9. It should also be remembered that under Article 23 (*d*) of the Covenant the League of Nations is entrusted with the general supervision of the trade in arms and ammunition with the countries in which the control of this traffic is necessary in the common interest, that is to say with the zones referred to in para. 6 of the present Report, and is given the supervision of the Central Office referred to in Article 5 of the Convention.

10. Such are in outline the provisions relative to the arms traffic which formed part of the Peace settlement effected in 1919.

At the time when the Convention of St. Germain was drawn up it was realised that in certain countries the complete execution of its provisions might necessitate legislation, and that some delay might therefore ensue before all the signatory Powers were ready to deposit their ratifications, but it was considered that the control of the export of arms during the period between signature and ratification was a pressing matter. For this purpose a Protocol was drawn up and signed by all the plenipotentiaries on the same day as the Convention to the effect that they would regard it as contrary to the intention of the High Contracting Parties and to the spirit of the Convention that pending its coming into force any measures should be taken by one of the Parties which were contrary to its provisions.

This Protocol was understood to mean that pending the coming into force of the Convention exports of arms ought not to be allowed which violate the Convention, but on the other hand it was not intended to prevent exports which would be permissible after the Convention came into force. The Protocol therefore constituted no obstacle to exports of weapons of war to a Government which expressed its readiness to adhere to the Convention as soon as such adhesion could be accepted.

11. Up to the present time only two Powers have ratified the Convention, *viz.*, Siam and Greece. Brazil, Chile, Esthonia, Finland, Colombia, the Netherlands, Persia and Venezuela have signified their willingness to adhere to the Convention when the opportunity occurs, and in the meantime to observe the provisions of the Convention and the Protocol. Spain has made a corresponding announcement, but has indicated a desire to arrange for the exclusion of the Spanish possessions in North Africa, other than the Spanish zone in Morocco, from the operations of the Convention. Guatemala, Haiti and Peru figure among the list of the signatory parties to the Convention, but their plenipotentiaries did not sign it ; these three Governments have, however, now indicated their intention to adhere to the Convention.

12. The full execution of the Convention and the Protocol has been hindered by the absence of the necessary statutory authority over the control of exports of arms in the United States of America, a country where arms are manufactured on a large scale. In the case of arms which belonged to the American Government the executive authorities were in a position to carry out the provisions of the Convention, but the export of arms and munitions by private firms could not be controlled except to certain destinations, *e.g.*, Mexico, Turkey and Soviet Russia. This circumstance has rendered it impossible to obtain the enforcement of the provisions of the Convention and Protocol by the other signatory Powers, as their Governments did not feel justified in inflicting severe losses on the manufacturing industries of their country by prohibiting manufacture and export, when the effect of such action would not terminate the trade in arms, but would merely divert it into other hands.

13. An understanding has now been arrived at between the various States which have accepted the obligations imposed by the Convention that until it is ratified they will take no action which is contrary to the provisions relating to export and control of arms in the areas mentioned in para. 6 of this Report. No formal Protocol embodying this understanding has been drawn up, but it has been acted on since July 1920.

14. No one can fail to recognise the importance of securing the universal acceptance and execution of the policy of bringing the arms traffic under the strict control which was provided for by the Convention of St. Germain. Unfortunately it is equally true that powerful interests in each country will oppose with success the introduction of such control until it can be made universal. No State is likely to sacrifice the interests of its traders when the sole result of doing so would be to divert the trade to their rivals. It must therefore be the object of the League of Nations, which is charged with special duties in connection with the traffic in arms, to secure the early and universal ratification of the Convention.

ANNEX 15.—*Report of Sub-Committee C of Committee No. VI. on Mandates.*

The Sub-Committee has held five meetings and has arrived at the following conclusions.

There was considerable difference of opinion amongst the members of the Committee as to the proper construction to be placed upon the penultimate paragraph of Article 22. Some of them held that this paragraph gave to the Assembly the first right of dealing with Mandates. Others went even further, and considered that the League was entitled to settle what countries should be mandatories. Others, again, held that it was the intention of this paragraph to give to the Council the exclusive right of settling the terms of the Mandates unless they had been settled by the Allied and Associated Powers. The Sub-Committee decided not to enter into any of these questions. They took as a basis of their consideration of the subject the fact that the question of Mandates was already in the hands of the Council, and in the interests of orderly administration they did not feel that it would be desirable to attempt to take it out of their hands. At the same time they desire to suggest that the whole question of the position and powers of the League in regard to Mandates and the relations of the Council and the Assembly in this respect should be a matter for consideration and possibly for further action by the Assembly at some future date.

The matter actually considered by the Sub-Committee therefore divides itself into two parts : the Mandate Commission and the Mandates themselves.

With regard to the Mandate Commission, the Sub-Committee generally approves of the plan adopted by the Council. But some members of the Sub-Committee, on the strength of the grounds set forth in the Secretary-General's Memorandum to the Council of the 12th October 1920, expressed their regret that the Council had taken its decision in this respect at a time when the Assembly was sitting without availing themselves of its assistance.

As things stand only one or two special questions can be touched. Since no part of the Commission will be nominated by the Assembly it seems to be the more important that its members should be elected for a definite period or, if elected for an indefinite time, should not be dismissed without the assent of the majority of the Assembly. The Sub-Committee further desire to urge upon the Council the importance of having at least one woman member of the Commission in view of the great importance of questions affecting women and children in the administration of the mandated countries. Further, they desire to suggest that the mandatories should be asked forthwith to present a report as to the administration of the countries now given to them under a Mandate, of which generally speaking they have already been in armed occupation.

As to the Mandates, the Sub-Committee have found themselves in considerable difficulty. They felt that, particularly with regard to A Mandates, they could scarcely make any recommendations of value without being put in possession of the draft Mandates on which the Council were working. They were informed that the Council had before them draft Mandates for Syria, Mesopotamia and Palestine, and they accordingly asked that these drafts might be shown to them. As will be seen from the annexed correspondence,* the Council refused to allow them to see the drafts, except

* Not reprinted.

upon the condition that they should make no reference to their provisions in their Report, a decision which the Sub-Committee regret for the reasons which appear in the correspondence. They ought, perhaps, to point out that, though the last letter from the Council is not very explicit on the point, they enquired from the Secretary-General whether the Council intended to uphold their decision as to the confidential nature of the drafts, and were informed that that was the Council's intention. The Sub-Committee are not aware whether any drafts for Mandates B or C have been submitted to the Council. None have been furnished to them.

As to the C Mandates, the Sub-Committee are of opinion that since the mandated countries are to be administered as part of the territory of the mandatory, the terms of the C Mandates can be very little more than a repetition of the conditions already contained in the Covenant, and there does not seem much room for difference of opinion as to what these Mandates should contain.

The same is, to some extent, true of B Mandates, where the conditions in the Covenant are also pretty clearly defined. While in both Mandates the general intention of the Covenant that the mandated territories should be administered for the well-being and development of their inhabitants as a sacred trust of civilisation is of the utmost importance, in the B Mandates it may be necessary to enter into greater detail. The Sub-Committee have not had time to examine this question properly, but they have had before them a draft B Mandate prepared by the British League of Nations Union, which seems to contain provisions well worthy of the consideration of the Council in settling the form of Mandates of this class. The Sub-Committee accordingly annex a copy of this draft.*

With regard to A Mandates, it is evident that the theory on which they are based, namely, that of independent States assisted by the mandatory, leaves roof for a much greater variety of terms than in the other two classes. And the Sub-Committee felt that the only way in which they could be of any real assistance would be by way of criticising drafts which were under the consideration of the Council. As the Council have declined to avail themselves of this assistance, the Sub-Committee do not think that they could usefully make any detailed recommendations on the subject. They desire, however, to make some general observations.

In the first place, they feel that the mandatory should not be allowed to make use of its position in order to increase its military strength. Secondly, they feel that the mandatory must not be allowed to use its power under the Mandate in order to exploit for itself or its friends the natural resources of the mandated territory. Thirdly, they are of opinion that the objects of the Covenant can only be fully achieved by the proper working out of the Mandate under an organic law. They therefore think that such a law should be passed in the mandated territories as soon as possible, and that before coming into force it should be submitted to the League for examination.

Finally, they regret that, owing to the course the Council have taken, there has been no opportunity for the public consideration of the draft mandates before they come into force and they trust that if any further delay should unfortunately take place, the draft mandates will be forthwith published.

Annex 16.—*Situation in Armenia. Report presented to the Assembly by the Special Committee on Armenia.*

The Armenian Committee appointed by the General Committee of the Assembly of 23rd November has met six times, with the object of enquiring into the situation in Armenia, in consequence of the invasion of that country by the troops and irregular bands acting under the authority of Mustapha Kemal Pasha, and of finding the best means to assist the Armenians in their struggle for independence, and eventually in their attempt to place the Armenian State on a sound basis.

According to the information which the Committee was able to obtain, it appears :—

That the Armenians had been unable to defend themselves from the Turkish attack, not because they were overwhelmed by the numerical superiority of the enemy, but because they were wholly lacking in organisation, military or political. As a matter of fact it is doubtful whether the Armenian Army is not larger than that of Kemal.

If, therefore, it is desired to come effectively to the assistance of the Armenians, there can be no doubt that it must be done not by sending a military expedition, or anything of that kind, but by giving to the Armenians the means of helping themselves. Without going into details, which it would be obviously improper at the present stage to discuss, the Committee is of opinion that for a comparatively moderate sum this object might be attained, provided that the right man can be found for the purpose of directing the necessary assistance.

The Committee are glad to note that considerable efforts are being made in the United States to raise a fund which should be applied for purposes of this kind.

The expenditure of such a fund should obviously be controlled by someone having the confidence of the donors, and your Committee have some reason to believe that other material assistance would be available for any serious enterprise such as is indicated.

Unfortunately, the present session of the Assembly will have come to an end before any definite result has been reached, and the Committee think it desirable that some agency of the League should remain in existence after the close of the Assembly, which would have full cognisance of all that has hitherto occurred and be able to keep in touch with further efforts in this direction.

They, therefore, recommend that the Assembly should ask the Council to re-appoint a Committee as from the end of the present session of the Assembly. The Committee would naturally be left at liberty to reorganise its work in the way it thought best having regard to the difficulty of frequent meetings of its members.

It is understood that the Committee would not be able in any way to pledge the responsibility of any Member of the League without their consent.

* Not reprinted.

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APPENDIX IV.

Certain Speeches delivered by the Delegates of India at Plenary Meetings of the Assembly.

ANNEX 1.—*Speech delivered by His Highness the Maharaja Jam Sahcb of Nawanagar, 7th December 1920, in the Debate on Typhus in Poland.*

It is not necessary in addressing the Assembly of the League of Nations, the best informed and most cultured Parliament that has ever met, containing, too, a number of eminent scientists, to remind you that in this unhappy matter India is absolutely disinterested. Terrible as the present danger to Europe may be, terrible as it undoubtedly is, though it is a danger of dire infection which may easily spread into the adjoining countries of Western and Southern Europe—for instance, Germany, Italy, possibly France and even England—though the danger is terrible, India is, humanly speaking, immune from it, because climatic conditions do not favour the typhus germ as they do other epidemics. India has indeed her difficulties in respect of other maladies such as bubonic plague and famine,—in fact, India has enough and to spare. India, I repeat again, is disinterested in this matter. My subject is an unhappy one, no less unhappy than the horrors of Armenia, but I think myself happy that I am permitted to support a case so completely in harmony with the great and disinterested spirit of the Assembly of Nations, to support such a case before an audience which, by its essential character, is necessarily sympathetic to the cause I plead.

Under the inspiring sincerity of Lord Robert Cecil we saw this great Assembly, after months, nay years, of inaction by other bodies, rise as one man to aid helpless Armenia against her enemies. For myself, I can only speak with the tongue of men and not with the tongue of angels, but I beseech you to rise again now in aid, not of one people alone, but of many peoples attacked or in danger of being attacked by a more terrible and more destructive foe than a rebellious brigand, attacked by a fell pestilence and by all the train of social and economic perils which accompany such a pestilence. Let us not be under any misconception. It is not a matter alone of the disease and death of unhappy men, women and children in a central plague spot in Europe. It is a matter of grave and enduring social unrest and economic disruption in the very corridor of Europe, a region vital to the peace of Europe and of the world. Let me emphasise this social and economic danger. As I have said before, India is disinterested in this matter, but India is by no means ignorant of its bearings and its consequences. My country, nearly equal to all Europe in area, with its 315,000,000 inhabitants, with its 100,000,000 of labourers and industrials, with its scores of great and populous cities, has had terrible experiences of the social and economic consequences of plague and pestilence. Unfortunately India has recently been the home of great epidemics. I have seen in past years the plague camps in Bombay, in Delhi, in Ahmedabad, in Poona, and in other scattered regions of my country. Even in my own province of Kathiawar I have seen the horrors of bubonic plague and of cholera. I know the aftermath of political, social and economic dangers and difficulties. Famine and pestilence are close allies, and both of them are bosom friends of political turmoil. India in the past has had many experiences of such dangers and difficulties, but we have countered and overcome them. Prompt, energetic, and skilful action has always conquered.

Gentlemen, we are faced with a great emergency, no less an emergency than in the case of Armenia—a chronic emergency, mark you, which not only affects, and affects vitally, the well-being of the peace of Europe now and hereafter, but also concerns, and concerns vividly, the honour and reputation of the League of Nations itself. To what are we pledged by the Treaty of Versailles and the Covenant ? The nations of the world here assembled in your persons, Gentlemen, are solemnly and specifically pledged to endeavour to take steps in matters of international concern, for the prevention and control of disease. They are pledged to encourage and promote the success of all such efforts as are directed to the prevention of disease and the mitigation of the suffering of humanity throughout the world. Is not the condition of Eastern Europe a matter of international concern ? Manifestly it is, assuredly it is. Is not there disease in Eastern Europe ? Cannot we counter and prevent it ? Is not there suffering in Eastern Europe ? Cannot we mitigate it ? I maintain we can prevent it and we can mitigate it, and it is our bounden duty to try our utmost to do so. We are faced with the prospect of a great emergency, one of the very kind which this League was created to meet. Let us examine the position in which we find ourselves. At the instance of the International Health Conference, surely a supreme authority, the Council of the League last May instructed the Typhus Commission to deal with what was clearly a great emergency and to frame a scheme of action. The Conference advised wisely. The Council decided wisely. The Commission carried out its instructions well. Everything is ready, but—and it is a great "but" —the absense of funds holds up that which alone in these matters counts, namely, effective action. As we have just heard, three appeals were issued by the Council of the Great Powers to all other nations strongly urging the responsibilities of all countries from the point of view of economic, humanitarian, and direct danger. These appeals up to the present time have, it is to be regretted, met with little response, and it is for this reason that the Council decided to refer this matter to this Assembly, and it is up to us to act. Poland in her fight against typhus is fighting for all Europe, and not only for herself. All Europe, at any rate, should stand by her. Better still would it be were all the nations of the world here assembled to join in and take their full share. Let us realise that if we act we shall be acting not only in kindness and humanity, but also according to our primary function, that, is, to end war and clear the remnants of war—those remnants which the Treaty could not clear up. Though you can sign away the existence of hostilities, you cannot sign away their continuous consequences. Our duty bids us to clear them away, else we fail in the very object of our being. We must break this vicious circle, which is composed of economic disruption, social unrest, and disease : disease, social unrest, and economic disruption. The centre of this vicious circle is war and death. Break this circle and the centre must disappear.

Now let us ask ourselves what our specific task is. The specific necessity on the part of the Typhus Commission, and the associated Red Cross organisations, is to render into concrete reality, into effective operation, the excellent scheme which, thanks to equally excellent preparation, stands ready. Eastern Europe must be cleared and cleansed, especially Poland. Russia, we have just heard from the report, is sodden with disease. There is a great coming and going of infected persons. A barrier and a stable barrier of defence must be established. We must fend off the dreaded pestilence as the ancient Romans fended off the barbarian hordes beyond the Rhine. Remember, Gentlemen, what great plagues did in the history of the past. The plague in the time of Justinian destroyed a large part of civilised humanity and uprooted the settlement of the ancient world. Remember, again, the plague of the Middle Ages and the dire political, social and economic effects. Remember that in India in 1918, quite near to us in time, the influenza epidemic in a few months, nay, in an incredibly short time, destroyed ten million lives, no less than three times the population of the whole of Switzerland. We must erect a barrier ; we must carry out the scheme—in fact, realise it. But in order that the scheme may be realised, and realised now, we must produce the necessary funds. Sir George Foster's Report cites the promises made, but unfortunately indicates that up to now but little has been done except by Siam. I am indeed glad to see the East at the front, at any rate in this. Surely those great countries and generous countries whose names appear in the report will remove their conditions and make good as early as possible their offers of aid. Conditional promises do not even cure an individual cold, much less do they control a widespread typhus epidemic. Therefore, for goodness sake, let us cease being hypothetical in face of such grave facts. But, although I may appear illogical and even inconsistent after what I have said, please permit me a little time within which to be hypothetical myself. I only heard of this matter four days ago, and you will all readily admit that in a task of such gigantic magnitude this is indeed short notice. Had I known before I left England perhaps it would have been possible for me to have done something substantial. As it is, my position is this :—On this Indian Delegation I represent the interests of the Ruling Princes of India, and as such I am unable to act in this matter without their previous sanction. But I will appeal to them as soon as I can. I will lay the matter fully, and with all the sympathy that I can command, before the Chamber of Princes which is shortly going to be opened, I think I am right in saying, in February next, and I trust and I hope and I sincerely believe that you will not be disappointed. I may also add that His Excellency the Viceroy of India is our President and he will also hear my appeal. Myself, I must frankly admit I am disappointed that I am unable to act in this matter to-day. I have in this matter no use for anything but action. I will do my best when and where I can, and as early as I can ; but I must in my final word emphasise to this distinguished and powerful Assembly one thing, and one thing only : Whatever happens, let us act.

ANNEX 2.—*Speech delivered by Sir William Meyer, 15th December 1920, on his Report on the Traffic in Opium and other dangerous Drugs.*

I do not propose to read again the somewhat full Report that I submitted upon the question of opium and kindred drugs—for kindred drugs are also provided for in Article 23 (*c*) of the Convention. I do not propose to take up your time by reading that Report now. It is printed in English and French, and those who are interested in the matter have the opportunity of perusing it. I only want to make a few supplementary remarks. I would point out, in the first place, that The Hague Convention of 1911-12 sifted and expanded the preliminary conclusions that had been arrived at at Shanghai in 1909, and formulated them in definite and carefully conceived terms, marking a great step in advance. It indicated the precious principle of international co-operation, which is specially necessary in regard to opium and kindred drugs, since these, being of small compass and great value, can be very easily smuggled. The country, therefore, which desires to keep out opium, for example, in order to do so effectively must obtain the assistance of those countries where opium is produced. This has been laid down definitely by Article 3 of The Hague Convention, which says that where a country has forbidden the import of opium, opium-producing countries shall not permit the export of opium to that country. Similarly, too, if a country, though not absolutely forbidding the import of opium, only allows it under very severe restrictions, the producing countries, in allowing their opium to be exported, are bound to see that these restrictions are complied with.

Then The Hague Convention laid down certain very important and valuable rules as regards the future of the Opium Traffic. I will just give a summary of these from my Report :—

(1) *Raw Opium.*—The contracting Powers undertake to enact laws for the control of the production and distribution of raw opium and to limit the number of ports through which export and import shall be permitted.

(2) *Prepared Opium* (which is used, for example, for smoking).—The contracting Powers will take measures for the gradual and effective suppression of the manufacture of, internal trade in, and use of prepared opium. They will prohibit the import and export of prepared opium, except as regards those Powers which are not ready to prohibit it immediately ; and even they undertake strictly to regulate the traffic and prohibit it as soon as possible.

(3) *Medicinal Opium, Morphine, Cocaine, Heroin, etc.*—The contracting Powers will enact pharmacy laws to confine the manufacture, sale and use of such drugs to medicinal and legitimate purposes. They will co-operate with one another to prevent the use of these drugs for any other purposes. Every effort will be taken to regulate the import and export, and to prevent these drugs coming into the possession of unauthorised persons ; they will not be exported from the territories of one contracting Power to those of another, except when consigned to persons furnished with the licences or permits provided for by the laws or regulations of the importing countries.

A special chapter is devoted to the trade with China, in which the contracting Powers undertake to reduce *pari passu* with measures taken by China itself the opium shops and dens in foreign territories, concessions and settlements in China ; and to prevent smuggling and illegal use of postal facilities in that country.

The contracting Powers were to examine the possibility of making it a penal offence to be found in illegal possession of opium and kindred drugs.

These measures, when they could be carried out, marked an enormous step in advance. There was, however, a serious difficulty in the carrying out of the Convention. The Conference which had been summoned by the United States Government, contained representatives of only 12 Powers, and in order to make the arrangements which it had approved really effective, it was necessary to obtain a world-assent; otherwise, for example, if Germany decided to put severe restrictions on the manufacture and export of cocaine and Austria did not adhere to the Convention, the cocaine producers in Germany could simply move across the border into Austria. To obtain such world-assent gave rise to many difficulties and required the holding of two supplementary Conferences, and when these difficulties were, as was hoped, in the way of being surmounted, war broke out and delayed everything for five years. It had, however, this compensation, that by the Treaty of Versailles and the corresponding Articles in other Treaties, signatories which had not already adhered to The Hague Convention undertook the obligation to do so. We have thus practically solved the difficulty of world co-operation, the only Powers still outside being Soviet Russia and other States which have arisen from the ruins of the old Russian Empire. These States are at present occupied with other matters; but Finland, at any rate, may be expected to adhere to the Opium Convention on her entry into the League.

I would remark, however, that certain States, which have already adhered to the Convention, either directly or through signing Peace Treaties, have not yet ratified. Among these are Switzerland, Chile, Salvador, Colombia, and Paraguay, and I would ask my colleagues from these States to influence their Governments to obtain speedy ratification, and Turkey, having not yet ratified the Treaty of Sèvres, has not yet ratified the Convention.

We have, however, on the whole every reason to be satisfied with the amount of world adhesion obtained, but now a good deal more remains to be done in other directions. In most States the full carrying out of the obligations imposed by the Convention will require the passing of fresh laws and regulations or expansion of some already existing, and it is necessary that this work should be taken in hand as soon as possible. I have already indicated in my Report what has been done in this connection in Great Britain and the British Empire generally. Article 21 of the Convention provided that all information in respect of such laws and regulations should be handed to the Netherlands Government, as also all necessary statistical information. Article 24 also provided that the Netherlands Government should act as intermediary in dealing with any questions that might arise hereafter as to the application of the terms of the Convention. Here, then, we have the main point on which the Netherlands Government requests relief from the arduous and honourable task which has hitherto been imposed on it. It is now for the League to act with reference to Articles 23 (*c*) and 24 of the Covenant. As to that I think there will be no doubt.

There remains, however, the question of how the League can best carry out its functions which it will take over. As I said in my Report, there are two alternatives:—

(1) That it should work through the Council and the Secretariat;

(2) That the Council and the Secretariat should be assisted by an Advisory Committee, consisting of the Members most closely interested in the opium traffic.

After full discussion in No. 2 Committee, the latter alternative was adopted, and the Resolution proposed by my right hon. friend, Mr. Barnes, was carried, subject to certain minor amendments. That Resolution has already been read to you by the Chairman of No. 2 Committee, so I need not read it again. It is the Resolution which you are asked to pass to-day. I venture to think that in passing this Resolution, making the League directly responsible for the carrying out of the beneficient Articles of The Hague Convention, we shall have taken a further step in advance in dealing with the pernicious traffic in opium and drugs, and shall have shown our earnest desire to co-operate in getting this traffic reduced to the smallest possible compass.

ANNEX 3.—*Speech delivered by Sir William Meyer, 15th December 1920, in the Debate on India's Claim to Representation on the Governing Body of the International Labour Office.*

I do not propose to move any Amendment or Resolution on this subject, but my Government wishes the Assembly to be in possession of the reasons for which India has felt and still feels aggrieved by her exclusion from the eight Powers of chief industrial importance contemplated in Article 393 of the Treaty of Versailles. A note stating the grounds on which India claims this position has been circulated as Assembly Document No. 226, and I need only add a very few remarks to the points there set forth.

The eight chief industrial Powers were to be selected by the Council of the League, but as that Council was not in existence at the time that the Washington Conference met towards the close of last year, the selection of the eight States of chief industrial importance was left to a special Organising Committee which contained representatives of the United States, Great Britain, France, Italy, Japan, Belgium and Switzerland. It is a somewhat remarkable coincidence that this Committee proposed all the seven States to which they collectively belonged as great industrial Powers. The eighth selected was Germany. India has never been able to understand on what valid principles some of the selections were made. For instance, why was Switzerland, whose population is about one-hundredth part of that of India, preferred to her? When the United States of America decided not to be for the present on the Governing Body of the Labour Office, Denmark was put in to replace her,—a selection which, with all respect to Denmark, was still less intelligible to India. It may be added that when it was a question of contribution to the funds of the League, India's importance was at once recognised. She was put into the first class of assessees, while Belgium and Switzerland were relegated to the third and Denmark to the fourth.

Among the documents which have already been furnished to the Assembly, are statistics which show India's pre-eminent claim, and I would merely mention here a few salient figures illustrating her industrial importance:—

Excluding peasant proprietors, there are nearly 28,000,000 agricultural workers who come within the scope of the International Labour Office. She has 141,000 maritime workers, lascars, etc., and in this respect comes second only to the United Kingdom. She has over 20,000,000 workers in industries, including cottage industries (in which the "industrials" of Japan are also largely employed), mining and transport. Factories, mines and railways provide employment for nearly 2,000,000 people. The mileage of her railway system is in excess of every country except the United States. Her export of manufactured goods, in itself very considerable, would be much greater were it not for the huge size of the country and the resultant large home consumption. The export test, of course, favours countries whose home area is relatively small.

The results of the actual constitution of the Governing Body were that out of a total of 24 Members, it included no less than 20 representatives of European countries. I think that it will be admitted that this was a very unsatisfactory allocation considering that the Governing Body has to deal with questions of world-wide interest materially affecting non-European countries. In fact, the Conference at Washington last year felt this so strongly that it passed a Resolution expressing its disapproval on this ground of the composition of the Governing Body.

The Council of the League, having now come into definite existence, India lodged a protest with it, the result of which is set forth in the Council Report of 5th August 1920. The Council expressed itself as fully conscious (to use its own words) of the magnitude of India's industrial output, the large number of her population engaged in industrial pursuits, the international importance of her overseas trade, and other circumstances which might be urged in favour of her claim to be one of the eight States of chief industrial importance. The Council considered itself, however, precluded from taking any immediate action in support of India's claim, for reasons set forth in its Report of 5th August last, already referred to. I will not discuss these in detail now, but will merely say that they seem to India to savour too much of technical pleading, as, for instance, that the Council was not in existence when the Governing Body was organised ; that the composition of the Governing Body was endorsed by the Conference at Washington—I have already indicated that the Conference passed what may be called a vote of censure on the composition of the Governing Body—that recognition of India's claim would involve the elimination of some other State ; that the Council did not know the principles on which the Organising Committee had acted and found some difficulty as to the exact meaning of the words "industrial importance." Surely it is not more difficult to come to a conclusion as to what are the most important industrial Powers of the world than to specify what are the Great Powers with reference to other matters.

The Council, therefore, held that the existing Governing Body should sit on till 1922, and in the meantime proposed to investigate the methods of coming to a decision on the "industrial importance" question, and directed the Secretary-General to take this matter up with the International Labour Office.

It may be urged that, after all, consideration of India's claim was only delayed for two years more, but it is just those early years that are of importance having regard to the fact that principles will be evolved and precedents created, and that a great Oriental country with its special labour conditions, deserves special consideration.

One more point I may mention, having regard to the penultimate paragraph of Article 4 of the Covenant, which states that any Member of the League not represented on the Council should be invited to send a Representative to sit as a Member at any meeting for the consideration of matters specially affecting the interests of that Member. It seems to me that India ought to have been asked to send a special Representative to the Council Meeting which resulted in the Report of 5th August.

I quite realise that, although the decision arrived at has been a bitter disappointment to India and to her intellectual and industrial classes, who are apt to look suspiciously on procedure which in their view subordinates the interests of Asia to Europe, Committee No. 2 were technically justified in holding that the Assembly was not in a position to over-ride the Council's decision. We had not, in fact, asked for this. What we did hope was that a sympathetic reception of our representations might nevertheless lead to some solution which would have been welcomed by us. For instance, the resignation of the Governing Body on the ground that it had been selected, if I may say so, in a somewhat irregular way, and its replacement at the Conference of 1921 by a body which would be more regularly constituted under the Council's decision as to what the eight industrial Powers are, would have effected a satisfactory solution.

It was for these reasons that my Government desired that the matter should be ventilated before the Assembly, and the fact that the claim was included in the Assembly's Agenda seemed to us to show that it was regarded as *prima facie* suitable for discussion. But as I have said, though disappointed with the decision of Committee No. 2, we must for the moment endure it. We can only wish that the Governing Body were constituted in a manner which would render it more capable of giving full consideration not merely to India's interests but, generally, to those of countries outside Europe.

ANNEX 4.—*Speech delivered by Sir Ali Imam, 15th December 1920, in the Debate on India's Claim to Representation on the Governing Body of the International Labour Office.*

The hour is late, and I should be guilty of trespassing on the attention of the Assembly if I were to say one word more than is necessary. The case has been so admirably put before the Assembly by my colleague Sir William Meyer that it is not necessary for me to point out the importance of India from the point of view of labour. With regard to a country where we have got over 60,000,000 of people employed in labour, if a voice is raised for representation on the Governing Body of the International Labour Bureau I suppose that there is some justification for it. But there is one point in connection with this that I would like to mention, and that is this. I heard it said, and I think that there is a certain amount of impression abroad, that because India is within the British Empire, therefore her membership of that Empire is sufficient for the protection of her interests. I would like to mention in this Assembly that so far as fiscal, economic and

labour conditions are concerned there is not always necessarily identity between her interests and the interests of the rest of the British Empire. Therefore there is an additional reason why India should be given a certain amount of recognition. I know that the Assembly cannot decide this question : perhaps the Assembly cannot deal with this question, but when a voice is raised here that voice is heard in quarters where the appeal can be answered. Therefore I entirely support the views which have been put forward by my colleague Sir William Meyer.

Annex 5.—*Speech prepared by His Highness the Maharaja Jam Saheb of Nawanagar and delivered on his behalf (owing to His Highness's absence through illness) by Sir Ali Imam, 17th December 1920, in the Debate on the Staff and Organisation of the Secretariat.*

Mr. President, my colleague, His Highness the Maharaja of Nawanagar, having unfortunately fallen ill, I propose at his request to read to you the text of his speech which he intended to deliver in connection with the questions now before the Assembly. His Highness says this :—

Mr. President and Gentlemen, India has been prominent in criticism of the finances of the League, but, Gentlemen, please understand that from our point of view, what we most hope for is a sound system of external control over the spending departments. Why ? Because, first, such control is the strongest means of winning confidence in our economical working, and, secondly, and above all, because such control defends us entirely from unjust criticism.

In our Indian finance we have first the Budget, second the Treasury Officers. Now, in the League of Nations we have, or shall have hereafter, the Budget, but I see no equivalent in the League of Nations of the Treasury check and control. Please, however, note this. In the League of Nations control of expenditure is specially and peculiarly necessary. Why ? I will tell you. One strong motive for economy present in a State is absent in the League. In a State expenditure is reflected, automatically and sensibly, in taxation. The people and the Government feel expenditure acutely, because of taxation and political resentment of taxation. Taxation touches the spot.

In the Secretariat here this motive for economy is absent. There is no taxation on the League of Nations itself. The burden is transferred, far away, to the constituent States.

Now, it is quite certain that if our expenditure is not well controlled, if the method of that control is not patently effective and fully visible, the League will become unpopular in the constituent States. Therefore, for the sake of the League itself we must have well-proved and demonstrable control.

I further hold it as of paramount importance that the organ of control should be appointed *by the Assembly.* First, because *the Assembly* contains *all the Members* and the *Council* does *not.* Secondly, because the Council, which at present is supposed to exercise certain supervision, is too much occupied with other matters, and also, I would remark, is too closely connected—inevitably so —with the Secretariat.

It might in particular be a function, among others, of such an organ as I suggest, to sanction all new expenditure or reappropriation, either in excess of prescribed amounts or as between certain scheduled heads, provided, of course, that the Assembly had not already laid down a total which is not to be exceeded.

Another function I would allot to the organ is the framing and execution of a set of rules equivalent to our Civil Service Regulations and Code in India. These rules control all expenditure that can be *mechanically* controlled. They serve not only as an effective cure for leakages in ordinary departmental expenditure, but also, in a large measure—and this is of great value—as a system of *pre-audit.*

And such a system of pre-audit is of much assistance in framing an accurate budget. In general I would like to see this organ exercise the Treasury check and control as we know it in India.

This proposed organ or committee of three financial experts would have to sit permanently, and it would involve a certain cost. But I think the cost would be amply justified by results. The Treasury Officers are always well worth their cost. *Crede experto.*

I do make suggestions as to details. I put forward the idea of such a committee as *one* means of giving effect to *the principle of control by the Assembly.*

The underlying and relevant motive of my proposal is this :—I have a strong and definite objection to the Secretary-General or anyone else being in a position of uncontrolled freedom or of freedom merely nominally controlled, in regard to expenditure. Such a position is not fair to him and it is not fair to *public opinion.* And I consider that control by the Council—which has so much other work to do and necessarily is not technically expert—at best is in danger of being intermittent and even cursory, and at worst may become nominal and illusory.

After all, the money we spend is derived from *all* Members of the League—and the Assembly alone represents all Members of the League.

I feel that much depends upon a full and clear appreciation of this important truth.

One final point—a point on which I would lay great stress. Throughout our discussions in Committee 4 there ran an ever-recurring note, a kind of Wagnerian refrain.

We kept on saying—we kept on excusing ourselves by saying that, after all we are as yet in the chrysalis stage.

But—we keep on hoping, I take it, that we shall not be ephemeral. We distinctly hope not to emerge as *butterflies.*

Now, if we do not, here and now, take a determined stand on radical matters, such as financial control by the Assembly—then, I say, we risk failure and even dissolution.

Annex 6.—*Speech delivered by Sir Ali Imam, 17th December 1920, in the Debate on the Staff and Organisation of the Secretariat.*

I entirely agree with the views that my colleague, the Maharaja, has put forward in the speech I have just read out to the Assembly : in fact, the Indian point of view in regard to this matter is so strong that an amendment on behalf of the Indian Delegation has been taken. I trust that when the consideration of that amendment is taken up the view that there should be strong control by the Assembly of the finances of the League will be borne in mind. The Indian Delegation feels strongly on the subject, not only because in principle it is absolutely right that finances should be under control, but because so far—I do not know what will happen hereafter—for the purposes of payment India has been regarded as a first-class Power, although she may not have been regarded in other respects as such. There is one remark I should like to make with reference to the observation made by Sir James Allen in regard to the representation of various nationalities on the Secretariat. I entirely endorse the view put forward by Sir James, and congratulate the Secretary-General and the authorities of the Secretariat on giving due consideration to the claims of various nationalities, but I regret to find that in the whole long list of appointments made to the Secretariat I have failed to discover a single Indian. I feel sure that when greater publicity is given to the fact that no Indian is at present serving on the Secretariat or in a post in the patronage of the Assembly, this will be considered as a fair ground in filling appointments in the future.

Annex 7.—*Speech delivered by Sir William Meyer, 17th December 1920, in the Debate on the League's Budgets.*

I desire in the first place to congratulate my right hon. friend Sir George Foster on the splendid speech which he delivered in introducing the Report of Committee No. 4. It showed the great business acumen which one would expect from a distinguished statesman, and closed with a note of rare eloquence. The Report itself is also an exceedingly useful one, and Committee No. 4 deserves much credit for having dealt in such an excellent way with the very unsatisfactory position in which they find themselves. I had not an opportunity myself of sitting on that Committee, but I was in constant contact with my friend the Maharaja of Nawanagar, who did very useful work there, and whose absence to-day Sir George Foster has so feelingly deplored. Had he been here it would have been for him to speak on many of the points which I have now to take up in his absence. It is stated in the Report that the Committee were not satisfied with the way in which the Budget estimates had originally been presented, and it is quite right that they should have stated such dissatisfaction. The Secretariat and the Labour Organisation appear to have thought at first that the Assembly's endorsement of the Budget was a mere formality, and adequate information was not furnished in the first instance. So I have understood from my friend the Maharaja. There was considerable difficulty found in getting the requisite information, such as that relating to establishments. The Labour Office again absolutely failed at the outset to give any details of the very large sum of 7,000,000 gold francs which we are asked to vote, and I see to my surprise that there are no such details in the Report yet. I have received through the courtesy of Sir George Foster a summary of details which I understand are provisionally put forward by the Director-General because the governing body have not yet passed them. But I would ask that this summary, on which I shall comment presently, should be put on the record. There was also an incident referred to at the top of page 3 of the Report, namely, the Secretary-General's appropriation of the balance for a working capital fund without previous approval. Things are better now, and it has been distinctly recognised by Committee No. 1 in dealing with the Rules of Procedure that this Assembly is supreme in matters of finance. The proceedings in Committee No. 4 in its frequent meetings and the Report that has been submitted have shown that the Committee was determined to get to the root of things as far as it could. If I may condense the gist of the Report and of Sir George Foster's speech into a few words and read between the lines I should say that the meaning was : "We have found a very unsatisfactory state of things ; we have taken steps to prevent their recurrence and we hope that next year matters will be much better."

I may say here that I fully associate myself with Sir George Foster's claim for economy, and also with the corollary that true economy does not consist in merely cutting down estimates ; it consists in getting the best value for your money. I also entirely concur with the warning he gave that the purse of the League is not illimitable ; it has to be supplied by a number of States some of whom are not at all in good financial condition, and it is necessary therefore to go slowly and very often to abstain from voting things which might themselves be desirable because you would do harm in that way by making the League unpopular, as unduly expensive. The representatives of the British Empire especially acted on Committee No. 4, and it is right that they should have done, for I do not think it is generally realised that under the present allocation the British Empire, taken in its widest sense, pays over a quarter of the total expenses of the League.

I wish to pay my humble tribute to the Report of the Committee. With reference to the amendments which we tabled which are now before the Assembly, I may say that those amendments were drawn up before we had had the advantage of hearing Sir George Foster's speech to-day, and before the final version of his Report, and that now it will be possible for me to withdraw several of them. I entirely associate myself with the remarks just made by Sir James Allen as to salaries. We owe a great deal to the Secretariat. They have worked unremittingly and ungrudgingly. They have given us of their best. They have spared themselves in no way. I can imagine the sigh of relief with which they will hail the breaking up of this Assembly. But it is possible to pay too much even for a first-class article. I cannot help thinking that the original salaries were fixed at a time when people's thoughts were still occupied with war finance, when people were thinking in scores of millions and when 100,000*l.* here or 200,000*l.* there did not greatly matter. You have the reaction now. It is being felt in every part of the world—the desire to cut down expenditure and not lavishly to promote it. That was one of the points which we felt very strongly about. I shall deal, however, with this matter in regard to one of my amendments. We also had the Labour Organisation salaries. They, too, are

very large. In a very ingenious memorandum by M. Albert Thomas which I had the pleasure of reading, he let us into the secret of how the salaries were fixed. He said : "We had to get people from Great Britain and America and Canada. These are countries which are notoriously extravagant in the methods of the payment of their officials ; but we had to get some men from these countries and we had therefore to pay them what they would have got in their native lands, and more also, for expatriation. Then we had to draw people from other countries whose pay as Civil Servants would be far less than the pay of those in the extravagant Anglo-Saxon countries, people from Latin countries, and others. But," says M. Thomas, "although the market value of those people would have been much lower, it would have been very undesirable to make differences. We must, therefore, give them also the same pay as if they had been drawn from Canada and Great Britain and Australia." That illustrates one of the dangers of an International Organisation.

Now I will take my first amendment. I need not read my amendments because you have all got them in your hands. In view of the explanation given by Sir George Foster, I withdraw that amendment. I withdraw the third amendment also.

I come to the fourth amendment, which proposed a reduction of expenditure. Our object in bringing that forward was to call attention to the large expenses which were being incurred in salaries, and of which I spoke just now. Having regard to the fact that the Report proposes the setting up of this Committee, and having regard to the supplementary fact that it was not stated in the first edition of the Report that the Assembly specifically reserves to itself, after having obtained the Report of this Committee, the right to cut down, if necessary, the existing scales of salaries, and not desiring to provoke any regrettable differences of opinion in this Assembly I withdraw No. 4 also. We now come to No. 5. No. 5 was passed at my instance in Committee No. 2 as a means of conciliation with the Canadian Delegation, who, it will be remembered, had made on the flour of this House some objections, partly on the matter of principle and partly in regard to expense, with reference to the Technical Organisations dealt with in the Report of Committee No. 2. The Canadian Delegation professed themselves satisfied in the matter of expense with this Resolution that Committee No. 2 passed at my instance. Having regard to what Sir George Foster said, and observing that he says he has put something in the Committee's Report to the same effect, I do not press No. 5 either.

I now come to No. 6. That is a very important Resolution. It raises an important question of principle, which was emphasised by His Highness the Maharaja in the speech made for him by Sir Ali Imam this morning. We welcome the appointment of the Special Committee that the Report proposes to set up ; but we hold that that is not enough. It is not enough to have an *ad hoc* Committee ; but you must have some means of definite financial control sitting constantly, corresponding to the control exercised by the Finance Ministry of every country in regard to expenditure. Without that control every department, if we may compare the League to a Government Department for a moment, will soon become extravagant. I know that it may be said that the Council has control ; but, as the Maharaja observed, the Council is very much occupied with other matters. On the same principle, therefore, I maintain Resolution No. 6, but I will withdraw it for this year. I am satisfied with one thing at a time, and I am satisfied with the great advance in the way of adequate control that has been obtained through Sir George Foster's Report and by means of his explanations. Therefore, I repeat that while I entirely hold to the principle of No. 6 as a matter of expediency I will withdraw it.

Now I will come back to No. 2. That I reserved. It is as follows :—

> "That with reference to recommendation (1) attached to the Committee's second Resolution, the Special Committee to be appointed to consider modifications in the Covenant should also consider what steps should be taken with reference to States which have not paid their quotas within a specified period."

Sir George Foster referred to a State which he said had played a prominent part in the League, but which had not paid its contribution.

That must be remedied. Let us compare the League for a moment to a club ; every well-organised men's club has a rule that members who deliberately abstain from paying subscriptions shall be suspended, and if they continue contumacious they shall be expelled. The object of my amendment is to ask the Committee, which is being set up to consider modifications in the Covenant, at the same time to consider what steps should be taken to deal with perpetual defaulters. One method suggested to me is that such States should not be eligible to send their representatives to serve on special Committees or to sit in the Assembly.

Now I come to No. 7. I think one of the greatest mistakes of the Covenant was this attachment of the expenses of the League to the Postal Union. The Postal Union is a relatively small affair ; its total expenses now do not exceed 300,000 francs a year, while ours run into millions. I think the proposal made is a waste of time.

That, Mr. President, is all I have to say, and you will see that out of my seven children I have only two left, and I desire that the arguments with regard to those two shall be taken into consideration by the Assembly.

APPENDIX V.

Miscellaneous Annexes.

ANNEX 1.—*Rules of Procedure of the Assembly.*

Rule 1.—1. The Assembly shall meet in General Session every year, at the seat of the League of Nations, commencing on the first Monday in September.

2. Sessions may also be held at such times as the Assembly at a previous meeting decides, and at such times as the Council, by a majority vote, decides.

3. If a Member of the League considers a Session to be desirable, it may request the Secretary-General to summon a Special Session of the Assembly. The Secretary-General shall thereupon inform the other Members of the League of the request, and enquire whether they concur in it. If within a period of one month from the date of the communication of the Secretary-General, a majority of the Members concur in the request, a Special Session of the Assembly shall be summoned.

Rule 2.—The Sessions of the Assembly shall be held at the seat of the League, or, in exceptional circumstances, at such place as is designated by the Assembly or by a majority of the Council, or approved by a majority of the Members of the League.

Rule 3.—1. The Sessions of the Assembly shall be summoned by the President of the Council, acting through the Secretary-General.

2. The summons shall be addressed to the Members of the League not less than four months before the date fixed for the opening of the Session. In exceptional circumstances, however, the Council, by a majority vote, may sanction a shorter period.

3. Nothing contained in para. 2 of this Rule shall affect the provisions, concerning special cases, contained in the Covenant.

Rule 4.—1. The agenda shall be drawn up by the Secretary-General with the approval of the President of the Council. The complete agenda shall be circulated as nearly as possible four months before the date fixed for the opening of the Session.

2. The agenda of a General Session shall include :—

(*a*) A report upon the work of the Council since the last Session ;

(*b*) A report by the Secretary-General upon the work of the Secretariat and upon the measures taken to execute the decisions of the Assembly ;

(*c*) All items whose inclusion has been ordered by the Assembly at a previous Session ;

(*d*) All items proposed by the Council ;

(*e*) All items proposed by a Member of the League ; and

(*f*) The Budget for the next fiscal period, and the report on the accounts of the last fiscal period.

3. Any Member of the League may, at least one month before the date fixed for the opening of the Session, request the inclusion of additional items in the agenda. Such items shall be placed on a supplementary list, which shall be circulated to the Members of the League at least three weeks before the date fixed for the opening of the Session. The Assembly shall decide whether items on the supplementary list shall be included in the agenda of the Session.

4. The Assembly may in exceptional circumstances place additional items on the agenda ; but all consideration of such items shall, unless otherwise ordered by a two-thirds majority of the Assembly, be postponed until four days after they have been placed on the agenda, and until a committee has reported upon them.

Rule 5.—1. Each Member shall communicate to the Secretary-General, if possible, before the date fixed for the opening of the Session, the names of its Representatives, of whom there shall be not more than three. The names of Substitute-Representatives may be added.

2. Each Representative shall, as soon as possible, and preferably before the opening of the Session, present his credentials to the Secretary-General.

3. A committee of eight members for the examination of the credentials shall be elected by the Assembly by secret ballot. The Committee shall report without delay.

4. Any Representative to whose admission objection has been made shall sit provisionally with the same rights as other Representatives, unless the Assembly decides otherwise.

Rule 6.—1. In addition to the Substitute-Representatives mentioned in para. 1 of Rule 5, the Representatives of a Member of the League attending the Assembly, acting together as a Delegation, may appoint substitutes. Any such appointment shall be communicated in writing to the President.

2. A Substitute-Representative appointed by a Member of the League may take the place of a Representative without nomination by the Representatives.

3. A Substitute-Representative or substitute may take the place of a Representative who is absent from a meeting of the Assembly, or is temporarily prevented from taking part in its deliberations, but if the Representative is present at the meeting the Substitute-Representative or substitute is only entitled to assist him.

4. A Delegation may appoint for service on a committee a deputy or technical adviser other than those referred to in the above paragraphs of this Rule ; but a deputy or adviser so appointed shall not be eligible for appointment as Chairman or Rapporteur, or for a seat in the Assembly.

Rule 7.—1. The officers of the Assembly shall consist of a President and of six Vice-Presidents, together with the Chairmen of the main Committees of the Assembly, who shall be *ex officio* Vice-Presidents of the Assembly. These officers shall form the General Committee.

2. The President and the six Vice-Presidents shall be elected at the beginning of each Session.

3. Until the election of the President, the President of the Council shall act as President of the Assembly.

Rule 8.—1. The President shall announce the opening, suspension and adjournment of the meetings of the Assembly, direct the work of the Assembly, ensure the observance of the Rules of Procedure, accord the right to address the Assembly, declare the debates to be closed, put questions to the vote, and announce the result of the voting.

2. In the general direction of the work of the Assembly, in the constitution of such committees as the Assembly decides to create, in deciding on the communications to be made to the Assembly, in the framing of the agenda for each meeting, and in the determination of the order of priority for its various items, the President shall be assisted by the General Committee.

Rule 9.—1. The Secretary-General shall be responsible for the organisation of the Secretariat of the Assembly and of the Secretariat of any committees set up by the Assembly.

2. The Secretary-General may be assisted or replaced at the meetings of the Assembly by a deputy or deputies. The Secretary-General, or one of his deputies, may at any time, on the invitation of the President, bring before the Assembly reports concerning any question which is being considered by the Assembly, and may be invited by the President to make verbal communications concerning any question under consideration.

Rule 10.—1. It shall be the duty of the Secretariat, *inter alia*, to receive, print, circulate and translate documents, reports and resolutions : to translate speeches made at the meetings ; to draft, print and circulate the Minutes of the Session ; to have the custody and proper preservation of the documents in the archives of the Assembly ; to publish the reports of the meetings ; and generally, to perform all other work which the Assembly thinks fit to entrust to it.

2. All documents emanating from the Assembly shall be circulated to the Governments of the Members of the League.

Rule 11.—1. The public shall be admitted to the plenary meetings of the Assembly, by cards distributed by the Secretary-General.

2. The Assembly may decide that particular meetings shall be private.

3. All decisions of the Assembly upon items on the agenda, which have been taken at a private meeting, shall be announced at a public meeting of the Assembly.

Rule 12.—A list of the attendance at each meeting of the Assembly shall be kept by the Secretariat.

Rule 13.—At the beginning of each meeting the President shall present to the Assembly all communications addressed to the Assembly or to the League, the importance of which appears to him to warrant such action.

Rule 14.—1. The Assembly shall establish such committees as it thinks fit, for the consideration of the items on the agenda. Items of the same nature will be referred to the same committee.

2. The Assembly shall not decide items on the agenda in full meeting until the report of a committee upon them has been presented and circulated, unless the Assembly itself, by a two-thirds majority, determines otherwise.

3. Each Delegation may designate one member, and may nominate technical advisers for each committee.

4. Each committee shall appoint its Chairman and Rapporteur.

5. Each committee may appoint sub-committees, which shall elect their own officers.

6. Each committee shall meet in private unless it decides otherwise. It shall keep a Register of its discussions, and Minutes, which shall be published at the earliest possible date, but not until they have been approved by the committee. They may at any time be consulted by any member of the Assembly.

7. Every Representative shall have the right to place before any committee any communication which he considers should be made to it, but no Representative may, without special leave from the Chairman, speak at a meeting of any committee of which he is not a member.

8. The Secretary-General or his deputies may make to any committee or sub-committee any report or verbal communication which he or they may consider desirable.

Rule 15.—1. No Representative may address the Assembly without having previously obtained the permission of the President.

2. Speakers shall be called upon in the order in which they have signified their desire to speak. The Chairman and the Rapporteur of a committee may be accorded precedence for the purpose of defending or explaining the conclusions arrived at by their committee. The same principle shall apply to any member of the Council.

3. The President may call a speaker to order if his remarks are not relevant to the subject under discussion. If necessary he may direct the speaker to resume his seat.

4. When a motion is under discussion, a Representative may rise to a point of order, and such point of order shall be immediately decided by the President in accordance with the Rules of Procedure.

5. The Assembly may limit the time allowed to each speaker.

Rule 16.—1. Speeches in French shall be summarised in English, and *vice versa,* by an interpreter belonging to the Secretariat.

2. A Representative speaking in another language shall provide for the translation of his speech into one of these two languages.

3. All documents, resolutions and reports circulated by the President or the Secretariat shall be rendered in both French and English.

4. Any Representative may have documents circulated in a language other than French or English, but the Secretariat will not be responsible for their translation or printing.

5. Any Member of the League, or any group of Members, may require that all documents and publications of the League shall be regularly translated into, and printed and circulated in a language other than French and English, but shall in such case defray all the necessary expenses.

Rule 17.—1. Resolutions, amendments and motions must be introduced in writing and handed to the President. The President shall cause copies to be distributed to the Representatives.

2. As a general rule, no proposal shall be discussed or put to the vote at any meeting of the Assembly unless copies of it have been circulated to all Representatives not later than the day preceding the meeting.

3. The President may, however, permit the discussion and consideration of amendments, or of motions as to procedure, without previous circulation of copies.

Rule 18.—1. During the discussion of any question, any Representative may move the previous question or the adjournment. Any such motion shall have priority in the debate. In addition to the proposer of the motion, two Representatives may speak in favour of, and two against, the motion.

2. Parts of a proposal shall be voted on separately, if a Representative requests that the proposal be divided.

3. A Representative may at any time move the closure of the debate, whether any other Representative has signified his wish to speak or not. If application is made for permission to speak against the closure, it may be accorded to not more than two speakers.

4. The President shall take the sense of the Assembly on a motion for closure. If the Assembly decides in favour of the closure, the President shall declare the closure of the debate.

5. When a number of proposals are before the Assembly, the proposal furthest removed in substance from the principal one shall be voted on first.

6. If an amendment striking out part of a proposal is moved, the Assembly shall first vote on whether the words in question shall stand part of the proposal. If the decision is in the negative, the amendment shall then be put to the vote.

7. When an amendment adds to a proposal it shall be voted on first, and if it is adopted the amended proposal shall then be voted on.

Rule 19.—1. Except where otherwise expressly provided in the Covenant or by the terms of a treaty, decisions of the Assembly shall be taken by an unanimous vote of the Members of the League represented at the meeting.

2. All matters of procedure at a meeting of the Assembly, including the appointment of committees to investigate particular matters, shall be decided by a majority of the Members of the League represented at the meeting.

3. All decisions taken in virtue of these Rules shall be considered as matters of procedure.

4. A majority decision requires the affirmative votes of more than half of the Members of the League represented at the meeting.

5. For the purposes of this Rule, Representatives who abstain from voting shall be considered as not present.

Rule 20.—The Assembly shall vote by "Appel Nominal," except when the Members of the League represented at the meeting agree that the method of voting shall be by heads of Delegations rising in their seats, and except in the cases provided for in Rule 12. The "Appel Nominal" shall be taken in the following manner :—

The Delegation of each Member of the League represented at the meeting shall be provided with two voting tickets, on which the name of the country is written, one red and one blue, the former being "Aye," the latter "No." The voting tickets shall be deposited in an urn placed near the President's platform. When all the votes have been collected, the President shall declare the ballot closed, and the General Committee shall proceed to count the votes. The individual votes shall be communicated to the Assembly and the result shall be announced by the President.

Rule 21.—1. All decisions relating to individuals shall be taken by a secret ballot.

2. If, when one person only is to be selected, no one person obtains at the first ballot an absolute majority of votes, an entirely new ballot shall be taken ; but on this occasion the voting shall be confined to the two candidates who obtained the largest number of votes at the first ballot. If there is at this ballot an equality of votes for the two candidates, the elder candidate shall be declared elected.

3. When a number of elective places of the same nature are to be filled at one time, those persons who obtain an absolute majority at the first ballot shall be elected. If the number of persons obtaining such majority is less than the number of persons to be elected, there shall be a second ballot to fill the remaining places, the voting being restricted to the unsuccessful candidates who obtained the greatest number of votes at the first ballot, not more than double in number the places remaining to be filled. Those candidates, to the number required to be elected, who receive the greatest number of votes at the second ballot shall be declared elected.

Rule 22.—In case of equality in any voting other than that referred to in Rule 21, in which a majority is required, a second vote shall be taken in the course of the next meeting ; this meeting shall be held within 48 hours from the date on which the first vote was taken, and it shall be expressly mentioned on the agenda that a second vote will be taken on the matter in question. Unless there is at this subsequent meeting a majority in favour of the proposal, it shall be considered as lost.

Rule 23.—1. The President may declare a meeting to be adjourned or suspended, if a proposal for adjournment or suspension made by him does not meet with objection from the Assembly.

2. The President shall declare an adjournment or suspension of the meeting upon a vote to this effect by the Assembly.

Rule 24.—The General Committee, in cases where it deems it necessary, may revise the resolutions adopted by the Assembly, changing their form but not their substance. Any such changes shall be reported to the Assembly.

Rule 25.—The verbatim report of each meeting shall be drawn up by the Secretariat and submitted to the Assembly after approval by the President.

Rule 26.—The resolutions adopted by the Assembly shall be circulated by the Secretary-General to the Members of the League within 15 days after the termination of the Session.

Rule 27.—These Rules of Procedure shall apply to the proceedings of committees of the Assembly.

Rule 28.—These Rules of Procedure may be altered by a decision of the Assembly ; but no such alteration shall be made except upon a majority vote of the Assembly, taken after a committee has reported on the proposed alteration.

ANNEX 2.—*Report of MM. Professeur Th. Madsen, Director of the State Serum Institute, Copenhagen ; Le Senateur Dr. Pottevin, Directeur adjoint de l'Office International d'Hygiene publique, Paris ; Dr. F. Norman White, C.I.E., Medical Commissioner, Typhus Commission, League of Nations ; invited by the Council of the League of Nations to proceed at once to Poland and to present in person a Report to the Assembly as to the exact position of the epidemic in Poland.*

Our Commission entrusted with the task of studying existing sanitary conditions in Poland with special reference to the prevalence of typhus fever and cholera arrived in Warsaw on the 1st and 4th of November.

In view of the limited time at our disposal anything in the nature of a comprehensive investigation was out of the question.

We had therefore to limit our enquiry to a small number of representative places, which we submitted to as full investigation as possible.

The two areas visited were the northern part of the eastern territories (as represented by the towns of Lida, Grodno and Wolkowysk) and Galicia, where we visited Lemberg, Zolkiew, Nadworna, Zuraki, Bohorodczany, Stanislawow, Cracow, Wadowice, Sucha and Zakopane. In both cases we travelled by railway to the chief-centres, from which we motored to smaller towns and villages in the neighbourhood.

A resume of our observations concerning typhus fever and cholera respectively is given below.

I.—*Typhus Fever.*

The area visited in the northern part of the eastern territory is poor and has suffered heavily as a result of the war which has been waged there almost incessantly since 1914. The retreat of the Bolshevik forces had taken place only a few weeks before the time of our visit. The destruction of a large number of houses, especially in the villages, has brought about an almost incredible amount of overcrowding. In one place we saw the entire population of a village which had been completely destroyed, and which had formerly consisted of a hundred houses, herded together in a single building which was itself in an advanced state of disrepair.

Requisitions have impoverished the country. Information given us by the local authorities indicates that food reserves for the winter are non-existent. The number of horses and cattle are reduced to a quarter of the pre-war standard.

Strictly speaking, this part of the country has never possessed a sanitary organisation. Before the war there was no *zemstvos* in these districts, and the elements of organisation insufficient in number which had been created by the Polish Government had been evacuated or destroyed during the course of the recent military operations : at the time of our visit these were in course of reconstruction.

In spite of the impossibility of obtaining epidemiological statistical data of any value, it is known that typhus existed in endemic form in this part of the country. Although the time of our visit did not coincide with the season of maximum incidence of typhus fever, we saw sufficient to indicate that the disease is extremely widespread and of a severe type.

In the towns, hospitals that had only been re-opened a few days already contained typhus patients. At Grodno, for example, the epidemic hospital, which had been re-opened three weeks previously, contained 150 patients suffering from either typhus or relapsing fever, in addition to which a further 70 typhus patients were accommodated in an annexe.

In the villages, typhus cases were found in large numbers, sometimes in every house visited. On one occasion we found in a single house eight patients in various stages of the disease in addition to two bodies of persons who had died of typhus, one on the day of our visit, the other the previous evening.

In Eastern Galicia, as in the area described above, warlike operations, which have continued with slight intermissions since 1914 almost up to date, have been responsible for very extensive destruction of dwellings. The resulting conditions of poverty and overcrowding are specially favourable to the propagation of epidemic disease, notably typhus fever.

The sanitary organisation, evacuated or destroyed during the course of the recent campaign, is in process of reconstruction, but at the moment it is impossible to obtain statistical data regarding the present prevalence of typhus fever. As an example of the lack of information we may cite our experience at Zuraki. This small village in the Bohorodczany district had reported no cases of typhus to the sanitary authorities : all the same, half-an-hour's house to house inquiry in a portion of the village resulted in the discovery of two typhus patients in one house, three in another, five in a third, and in a fourth we found all the occupants convalescent from a recent attack of the disease.

At the present time typhus is not prevailing in Eastern Galicia in the acute form in which it prevailed last spring. Nevertheless, the disease is very widespread and we found cases in every place visited, though in most instances few in number. Before the war typhus fever was endemic in a few well-defined areas of Galicia : to-day the whole of Eastern Galicia must be regarded as an endemic focus of the disease.

The results of the personal observations that we have been able to make do not permit of an opinion as to the course of typhus fever in Poland or the dangers that are likely to accrue to other countries. Abundant information concerning these matters is contained in the publications of the Polish Ministry of Health ; in the reports made in 1919 to the League of Red Cross Societies by M. M. Buchanan, Cummins, Castellani and Wisbeck, and in 1920 by Dr. Chodzko to the London Conference ; in the reports of Médecin principal Gauthier, Director of the Health Service of the French Military Mission, &c.

Here we would direct attention to the fact that the year 1919 and 1920 were both characterised by extremely severe epidemics. The number of cases notified—it is hardly necessary to point out that such figures are only an approximation very much below the actual numbers—were most numerous in 1919 in the months of April and May, when 34,875 and 34,807 cases respectively were reported, and in 1920 in February, 27,984 cases.

In June 1920, the last month for which statistics are available, 3,550 cases were notified in Congress Poland, 1,795 in Western Galicia, and 5,850 in Eastern Galicia ; these figures concern the civil population only. The incidence of the disease in the army of the interior varied in different cantonments between 0.01 and 0.60 per cent. (Lwow) with a mean incidence of 0.09 per cent. In prisoners' camps the typhus incidence amounted to 1.38 per cent.

The reports indicate that typhus is very unequally distributed in Poland. The north-western districts are practically free from the disease, as is also the district of Posen ; the southern and eastern districts are most seriously affected.

We may conclude that though typhus may not exist at the present time in the form of an acute epidemic (the present is the season of low incidence of the disease), it is very widespread throughout large areas notably in the south and the east. The areas we visited are infected to a degree of which official documents give no indication.

It is impossible to frame a forecast of the future course of an epidemic of disease now endemic over wide areas, but our knowledge of the epidemiology of typhus enables us to foresee that seasonal outbreaks will continue to occur the gravity of which will be chiefly determined by all social and economic conditions which are likely to create a state of physical depression among the population submitted or exposed to infection. In any case its persistence institutes a permanent danger to the rest of Poland and for all other countries.

In countries with a high standard of personal hygiene there is not much to fear in the way of extensive outbreaks of typhus fever. But even in such countries there are groups of individuals and communities where lack of cleanliness presents all the conditions necessary for the spread of the disease. The report of the League of Red Cross Societies rightly calls attention to the recent epidemic in Holland as a case in point.

The eradication of typhus in the areas described appears to us therefore to be a question of international importance. Its continued prevalence constitutes a standing menace to other countries according to the intensity of the epidemic. Measures taken at the frontiers of other countries can diminish the danger but they cannot obviate it altogether.

The measures necessary for the eradification of the disease have been studied and defined, notably at the Conference in London.

The Polish Government are alive to the urgency of the work to be accomplished. The organisation that they have created to fight epidemic disease, notably typhus fever, is excellent and has already achieved results that do them much credit. But the material at their disposal is altogether inadequate for the intensive and extended campaign that it is necessary to wage without delay.

II.—*Cholera.*

At the end of September cholera appeared in territory reoccupied by the Polish forces in the neighbourhood of Lida and Grodno. Previously there had been a large incidence of this disease in Soviet Russia. Thus an official Soviet statement dated 30th August 1920, reported extensive prevalence of cholera in parts of Soviet territory adjacent to the Russo-Polish armistice line as well as in other parts of Russia. In the first six months of 1920, 5,675 cases of cholera were notified in Russia. By the middle of October 1920, soldiers and prisoners of war had carried infection to various parts of Poland. Up to date (17th November 1920) 21 foci of infection have been reported and new foci are still being discovered. In Poland proper reported cases number 299 in addition to which 119 carriers have been discovered. Of the 299 cases 30 were civilians ; the great majority of the remainder were prisoners of war. In addition to the above, 461 cases of cholera have been notified in the eastern territory now under Polish military administration ; of these 100 were civilians.

The occurrence of cholera cases in 21 widely separated places in Poland, their very high carrier rate, and the extremely defective nature of most of the water supplies combine to make the situation full of danger. An unpleasant fact in this connection is the very high incidence of enteric or typhoid fever now prevailing in most parts of Poland. Cholera and typhoid fever are propagated in a similar manner, the one to the other.

The Polish Health Administration is alive to the dangers of the situation ; inoculation with a cholera vaccine is being widely carried out. The whole army and all the prisoners of war have now been inoculated as well as large numbers of the civil population.

On our tour of inspection we encountered cholera at Lida, Warsaw, Wadowice, and Zakopane.

At Wadowice we inspected the prisoners' camp. At the time of our visit there were 4,500 prisoners of war in very poor condition. The Polish authorities are obviously finding it extremely difficult to provide adequate food and clothing for their prisoners. There were 90 cholera cases in the prisoners' hospital at Wadowice as well as 80 cases of relapsing fever and 36 of typhus.

We are informed that there are 80,000 prisoners of war in Poland at the present time. Half of these are in prisoners' camp, the remainder being scattered about the country in working parties. The presence of this large number of prisoners of war with very enfeebled power of resistance to disease is a most unwelcome complication of the already sufficiently difficult health problems of Poland.

Conclusions.

We are of opinion that it is both necessary and urgent to afford effective material assistance to Poland in her struggle against epidemic disease, especially against typhus fever.

We recommend that the League of Nations render this assistance on the basis elaborated by the London Conference and by the Council Meeting at Rome.

Dr. POTTEVIN.
Th. MADSEN.
F. NORMAN WHITE.

Annexure 3.—*Statement by the Delegate of Portugal, M. de Andrade, on the Opium Question.*

Sir W. Meyer, the delegate of India, in his resumé of the history of the restrictions on the trade in opium and other narcotics, makes two alternative proposals for the Second Committee to chose from.

In the first, the control of the carrying out of the international agreement on opium would be entirely entrusted to the Council of the League of Nations, with the assistance of the Secretariat-General, reports being submitted to the Assembly from time to time.

In the second a special Advisory Committee would be appointed. Those Members of the League most interested in questions relating to opium would be represented on it, and would assist the Council and the Secretariat.

Mr. Barnes, delegate of the British Empire, appears from the Resolution which he has submitted to support this second proposal.

The Portuguese Delegation, which I have the honour to represent here, would agree to this Resolution if Mr. Barnes would add the name of Portugal to those of the countries specially indicated for representation on the Committee which it is proposed to form, seeing that it is one of the States specially interested in all decisions made relating to opium, owing to its Colonies of Macao, India, and the Far East.

Portugal was one of the first countries to ratify the Opium Convention on 9th August 1913, having registered its ratification at The Hague on 15th December of the same year, and has carried out all the engagements undertaken by those Conventions.

Owing to the geographical position of one of its colonies, situated near Hong Kong, Portugal concluded an agreement with Great Britain on 14th June 1913, in order, in view of the decisions of The Hague Convention, and taking into consideration the geographical position of the colonies Macao and Hong Kong, to establish on similar lines the control of opium within these territories in all matters relating to the restriction of consumption, sale and export of prepared opium, and the suppresion of smuggling. This agreement was to be valid for 10 years ; it could be cancelled at the end of five years and would remain in force unless cancelled by either party.

In spite of the restrictions adopted by The Hague Convention, the trade in opium is still carried on in several places in the East. In 1919, the Portuguese Government received proposals, which it did not accept, to grant an opium monopoly to Timor.

The opium trade at Macao has considerably decreased within the last few years, which points to the efficacy of the results of the agreement between the Portuguese and British Governments. The Customs revenue reaches to-day a total scarcely more than half that of two years ago.

The Portuguese Government has therefore fulfilled, as completely as possible, the duties which it undertook in signing The Hague Convention, and is always prepared to put into force the restrictive measures which the League of Nations may consider necessary to achieve the humanitarian purpose in view, that is to say, the restriction or prohibition of trade in opium and other narcotics, a trade which, moreover, only exists in Portugal for medical purposes, and is only carried on in one of its colonies with very considerable restrictions. But, in a question which deeply affects the interests of this Colony, the solution proposed by Sir W. Meyer and supported by Mr. Barnes could only be accepted on the basis of its recognition as being one of the States interested, and as such to be represented on the Committee proposed in Mr. Barnes' Resolution.

I quite understand that this draft Resolution does not exclude from the Committee States not specially mentioned. It says :—

"It shall include representatives of the countries chiefly concerned, in particular, Holland, Great Britain, France, India, Japan, China, and shall, subject to the general directions of the Council, meet at such times as may be found desirable."

But the Portuguese Delegation desires that there should be no room for doubt in the future, and that its country should be considered as particularly interested in the Resolution under discussion, which attitude is moreover entirely justified by the facts given above.

Annex 4.—*Amendments proposed by the Indian Delegation to the Report on the budget submitted by Committee No. 4.*

1. In the Secretariat Report it is stated that a sum of 1,725,000 gold francs allocated "for the creation of working capital or reserve" in the latter part of 1920 is being applied to other objects. The Assembly desires further information as to the actual diversion of expenditure thus effected.

2. That with reference to Recommendation (1) attached to the Committee's second Resolution, the special Committee to be appointed to consider modifications in the Covenant should also consider what steps should be taken with reference to States which have not paid their quotas within a specified period.

3. That in Recommendation (2) attached to the same Resolution the words "also to prepare in due course a draft Resolution for the Assembly upon this subject" shall be omitted.

4. That the total budget estimates for 1921 shall be reduced from 21,000,000 gold francs to 20,000,000 gold francs, this being effected by reducing 500,000 gold francs under the expenses of the Secretariat, and 500,000 gold francs under the expenses of the Labour Organisation.

5. That the total expenditure on Technical Organisations for (*a*) Economic and Financial organisation, (*b*) Transit, and (*c*) Health shall not exceed without the special and previous sanction of the Assembly the total sum of 2,000,000 gold francs, this provision including the cost of the Sections of the Secretariat primarily concerned with the work of these organisations. In this total it shall, as a special measure for the year 1921, be open to the Council to transfer expenditure from one head to another, while all sums not expended shall lapse at the close of the year.

Provided, however, that if no special Economic and Financial Conference is held in the year 1921, the total figure of 2,000,000 gold francs above referred to shall be reduced to 1,800,000 gold francs.

6. That the Council be asked to consider more adequate control of expenditure by the appointment of a Standing Committee, independent of the Secretariat and the Labour Organisation, to consider all items of fresh expenditure before these are submitted to the Council.

7. That the special Committee appointed to consider amendments to the Covenant shall also consider an amendment to Article 6 which shall make future contributions of States to the League expenditure depend not on the quotas adopted for the purpose of the Universal Postal Union, but on some independent principle, such as net revenue.

(Signed) W. S. MEYER.

Annex 5.—*Extract from Speech by Viscount Ishii on 30th November 1920, at a plenary meeting of the Assembly of the League of Nations.*

Japan had an opportunity, when the Covenant of the League of Nations was originally formulated, to declare her firm belief that equality before the law should be assured to all men irrespective of their nationality, race or religion; that that principle should be established so that the various merits and geniuses of mankind should be emancipated and given free play in the interests of human civilisation ; that that principle of equal opportunity should be one of the bedrocks of the great Peace organisation, in order that all nationals owing allegiance to the League should, to a man, be loyally willing to make their sacrifice in blood and treasure when occasion arises, in order that all should know that the League is unfailingly for right, not might ; in order that a lasting peace should be doubly assured.

It was to the poignant regret of the Japanese Government and people that the orginal framers of the Covenant found themselves unable to accept the Japanese proposal in this matter, and the Japanese delegates declared that they would continue in their insistence for the adoption of their just demand by the League in the future. In view, however, of the present circumstances, Japan is strongly persuaded that the League is as yet in a stage where the consolidation of its organisation and

its actual working based upon the present Covenant should be accorded greater attention and deeper deliberations than the questions relating to the fundamental principle which might involve the revision of the Covenant and deliberation of which should be deferred for some time yet. From that point of view, Japan is refraining from making any concrete proposal at this Assembly as to the question of equal opportunity and treatment, and will, patiently bide her time until the opportune moment will present itself.

ANNEX 6.—*Declaration made before the Assembly by Mr. V. Wellington Koo, First Delegate of the Republic of China, on 18th December 1920.*

"On behalf of and with the authority of my Government, I have the honour to inform the Assembly that there are certain subjects of vital interest to China affecting international relations, which under the provisions of the Covenant of the League of Nations the Republic of China intends to bring to the attention of the Assembly or of the Council. In view, however, of the fact that at this first session of the Assembly it has been devoting, and in the opinion of the Chinese Delegation should devote, itself to the perfecting of the organisation of the League and to the definition of its rights and duties as set forth in the Covenant, the Chinese Delegation will not lay these subjects before the Assembly at the present Session. But I respectfully declare in the name of the Chinese Delegation that in thus refraining from bringing these subjects to the attention of the Assembly, I reserve the full right of the Republic of China as a Member of the League to present the subjects to the Assembly or to the Council at a more appropriate time in the future, and do not waive any right to which the Republic of China may be entitled."

APPENDIX VI.

Permanent Court of International Justice.

ANNEX 1.—*Statute of the Court.*

Article 1.—A Permanent Court of International Justice is hereby established, in accordance with Article 14 of the Covenant of the League of Nations. This Court shall be in addition to the Court of Arbitration organised by the Conventions of The Hague of 1899 and 1907, and to the special Tribunals of Arbitration to which States are always at liberty to submit their disputes for settlement.

CHAPTER I.—ORGANISATION OF THE COURT.

Article 2.—The Permanent Court of International Justice shall be composed of a body of independent judges, elected regardless of their nationality from amongst persons of high moral character, who possess the qualifications repuired in their respective countries for appointment to the highest judicial offices, or are jurisconsults of recognised competence in international law.

Article 3.—The Court shall consist of fifteen members : eleven judges and four deputy judges. The number of judges and deputy judges may hereafter be increased by the Assembly, upon the proposal of the Council of the League of Nations, to a total of fifteen judges and six deputy judges.

Article 4.—The members of the Court shall be elected by the Assembly and by the Council from a list of persons nominated by the national groups in the Court of Arbitration, in accordance with the following provisions.

In the case of Members of the League of Nations not represented in the Permanent Court of Arbitration, the lists of candidates shall be drawn up by national groups appointed for this purpose by their Governments under the same conditions as those prescribed for members of the Permanent Court of Arbitration by Article 44 of the Convention of The Hague of 1907 for the pacific settlement of international disputes.

Article 5.—At least three months before the date of the election, the Secretary-General of the League of Nations shall address a written request to the members of the Court of Arbitration belonging to the States mentioned in the Annex to the Covenant or to the States which join the League subsequently, and to the persons appointed under para. 2 of Article 4, inviting them to undertake, within a given time, by national groups, the nomination of persons in a position to accept the duties of a member of the Court.

No group may nominate more than four persons, not more than two of whom shall be of their own nationality. In no case must the number of candidates nominated be more than double the number of seats to be filled.

Article 6.—Before making these nominations, each national group is recommended to consult its Highest Court of Justice, its Legal Faculties and Schools of Law, and its National Academies and national sections of International Academies devoted to the study of law.

Article 7.—The Secretary-General of the League of Nations shall prepare a list in alphabetical order of all the persons thus nominated. Save as provided in Article 12, para. 2, these shall be the only persons eligible for appointment.

The Secretary-General shall submit this list to the Assembly and to the Council.

Article 8.—The Assembly and the Council shall proceed independently of one another to elect, firstly the judges, then the deputy judges.

Article 9.—At every election, the electors shall bear in mind that not only should all the persons appointed as members of the Court possess the qualifications required, but the whole body also should represent the main forms of civilisation and the principal legal systems of the world.

Article 10.—Those candidates who obtain an absolute majority of votes in the Assembly and in the Council shall be considered as elected.

In the event of more than one national of the same Member of the League being elected by the votes of both the Assembly and the Council, the eldest of these only shall be considered as elected.

Article 11.—If, after the first meeting held for the purpose of the election, one or more seats remain to be filled, a second and, if necessary, a third meeting take place.

Article 12.—If, after the third meeting, one or more seats still remain unfilled, a joint conference consisting of six members, three appointed by the Assembly and three by the Council, may be formed, at any time, at the request of either the Assembly or the Council, for the purpose of choosing one name for each seat still vacant, to submit to the Assembly and the Council for their respective acceptance.

If the conference is unanimously agreed upon any person who fulfils the required conditions, he may be included in its list, even though he was not included in the list of nominations referred to in Articles 4 and 5.

If the joint conference is satisfied that it will not be successful in procuring an election, those members of the Court who have already been appointed shall, within a period to be fixed by the Council, proceed to fill the vacant seats by selection from amongst those candidates who have obtained votes either in the Assembly or in the Council.

In the event of an equality of votes amongst the judges, the eldest judge shall have a casting vote.

Article 13.—The members of the Court shall be elected for nine years.

They may be re-elected.

They shall continue to discharge their duties until their places have been filled. Though replaced, they shall finish any cases which they may have begun.

Article 14.—Vacancies which may occur shall be filled by the same method as that laid down for the first election. A member of the Court elected to replace a member whose period of appointment had not expired will hold the appointment for the remainder of his predecessor's term.

Article 15.—Deputy judges shall be called upon to sit in the order laid down in a list.

This list shall be prepared by the Court and shall have regard, firstly, to priority of election, and, secondly, to age.

Article 16.—The ordinary members of the Court may not exercise any political or administrative function. This provision does not apply to the deputy judges except when performing their duties on the Court.

Any doubt on this point is settled by the decision of the Court.

Article 17.—No member of the Court can act as agent, counsel or advocate in any case of an international nature. This provision only applies to the deputy judges as regards cases in which they are called upon to exercise their functions on the Court.

No member may participate in the decision of any case in which he has previously taken an active part, as agent, counsel or advocate for one of the contesting parties, or as a member of a national or international Court, or of a Commission of enquiry, or in any other capacity.

Any doubt on this point is settled by the decision of the Court.

Article 18.—A member of the Court cannot be dismissed unless, in the unanimous opinion of the other members, he has ceased to fulfil the required conditions.

Formal notification thereof shall be made to the Secretary-General of the League of Nations, by the Registrar.

This notification makes the place vacant.

Article 19.—The members of the Court, when engaged on the business of the Court, shall enjoy diplomatic privileges and immunities.

Artice 20.—Every member of the Court shall, before taking up his duties, make a solemn declaration in open Court that he will exercise his powers impartially and conscientiously.

Article 21.—The Court shall elect its President and Vice-President for three years; they may be re-elected.

It shall appoint its Registrar.

The duties of Registrar of the Court shall not be deemed incompatible with those of Secretary-General of the Permanent Court of Arbitration.

Article 22.—The seat of the Court shall be established at The Hague.

The President and Registrar shall reside at the seat of the Court.

Article 23.—A session of the Court shall be held every year.

Unless otherwise provided by rules of Court, this session shall begin on the 15th of June, and shall continue for so long as may be deemed necessary to finish the cases on the list.

The President may summon an extraordinary session of the Court whenever necessary.

Article 24.—If, for some special reason, a member of the Court considers that he should not take part in the decision of a particular case, he shall so inform the President.

If the President considers that for some special reason one of the members of the Court should not sit on a particular case, he shall give him notice accordingly.

If in any such case the member of the Court and the President disagree, the matter shall be settled by the decision of the Court.

Article 25.—The full Court shall sit except when it is expressly provided otherwise.

If eleven judges cannot be present, the number shall be made up by calling on deputy judges to sit.

If, however, eleven judges are not available, a quorum of nine judges shall suffice to constitute the Court.

Article 26.—Labour cases, particularly cases referred to in Part XIII. (Labour) of the Treaty of Versailles and the corresponding portions of the other Treaties of Peace, shall be heard and determined by the Court under the following conditions :—

The Court will appoint every three years a special chamber of five judges, selected so far as possible with due regard to the provisions of Article 9. In addition, two judges shall be selected for the purpose of replacing a judge who finds it impossible to sit. If the parties so demand, cases will be heard and determined by this chamber. In the absence of any such demand, the Court will sit with the number of judges provided for in Article 25. On all occasions the judges will be assisted by four technical assessors sitting with them, but without the right to vote, and chosen with a view to ensuring a just representation of the competing interests.

If there is a national of one only of the parties sitting as a judge in the chamber referred to in the preceding paragraph, the President will invite one of the other judges to retire in favour of a judge chosen by the other party in accordance with Article 31.

The technical assessors shall be chosen for each particular case in accordance with rules of procedure under Article 30 from a list of "Assessors for Labour cases" composed of two persons nominated by each Member of the League of Nations and an equivalent number nominated by the Governing Body of the Labour Office. The Governing Body will nominate, as to one half, representatives of the workers, and as to one half, representatives of employers from the list referred to in Article 412 of the Treaty of Versailles and the corresponding Articles of the other Treaties of Peace.

In Labour cases the International Labour Office shall be at liberty to furnish the Court with all relevant information, and for this purpose the Director of that Office shall receive copies of all the written proceedings.

Article 27.—Cases relating to transit and communications, particularly cases referred to in Part XII. (Ports, Waterways and Railways) of the Treaty of Versailles and the corresponding portions of the other Treaties of Peace shall be heard and determined by the Court under the following conditions :—

The Court will appoint every three years a special chamber of five judges, selected so far as possible with due regard to the provisions of Article 9. In addition, two judges shall be selected for the purpose of replacing a judge who finds it impossible to sit. If the parties so demand, cases will be heard and determined by this chamber. In the absence of any such demand, the Court will sit with the number of judges provided for in Article 25. When desired by the parties or decided by the Court, the judges will be assisted by four technical assessors sitting with them, but without the right to vote.

If there is a national of one only of the parties sitting as a judge in the chamber referred to in the preceding paragraph, the President will invite one of the other judges to retire in favour of a judge chosen by the other party in accordance with Article 31.

The technical assessors shall be chosen for each particular case in accordance with rules of procedure under Article 30 from a list of "Assessors for Transit and Communications cases" composed of two persons nominated by each Member of the League of Nations.

Article 28.—The special chambers provided for in Articles 26 and 27 may, with the consent of the parties to the dispute, sit elsewhere than at The Hague.

Article 29.—With a view to the speedy despatch of business, the Court shall form annually a chamber composed of three judges who, at the request of the contesting parties, may hear and determine cases by summary procedure.

Article 30.—The Court shall frame rules for regulating its procedure. In particular, it shall lay down rules for summary procedure.

Article 31.—Judges of the nationality of each contesting party shall retain their right to sit in the case before the Court.

If the Court includes upon the Bench a judge of the nationality of one of the parties only, the other party may select from among the deputy judges a judge of its nationality, if there be one. If there should not be one, the party may choose a judge, preferably from among those persons who have been nominated as candidates as provided in Articles 4 and 5.

If the Court includes upon the Bench no judge of the nationality of the contesting parties, each of these may proceed to select or choose a judge as provided in the preceding paragraph.

Should there be several parties in the same interest, they shall, for the purpose of the preceding provisions, be reckoned as one party only. Any doubt upon this point is settled by the decision of the Court.

Judges selected or chosen as laid down in paras. 2 and 3 of this Article shall fulfil the conditions required by Articles 2, 16, 17, 20, 24 of this Statute. They shall take part in the decision on an equal footing with their colleagues.

Article 32.—The judges shall receive an annual indemnity to be determined by the Assembly of the League of Nations upon the proposal of the Council. This indemnity must not be decreased during the period of a judge's appointment.

The President shall receive a special grant for his period of office, to be fixed in the same way.

The Vice-President, judges, and deputy judges shall receive a grant for the actual performance of their duties, to be fixed in the same way.

Travelling expenses incurred in the performance of their duties shall be refunded to judges and deputy judges who do not reside at the seat of the Court.

Grants due to judges selected or chosen as provided in Article 31 shall be determined in the same way.

The salary of the Registrar shall be decided by the Council upon the proposal of the Court.

The Assembly of the League of Nations shall lay down, on the proposal of the Council, a special regulation fixing the conditions under which retiring pensions may be given to the personnel of the Court.

Article 33.—The expenses of the Court shall be borne by the League of Nations, in such a manner as shall be decided by the Assembly upon the proposal of the Council.

CHAPTER II.—COMPETENCE OF THE COURT.

Article 34.—Only States or Members of the League of Nations can be parties in cases before the Court.

Article 35.—The Court shall be open to the Members of the League and also to States mentioned in the Annex to the Covenant.

The conditions under which the Court shall be open to other States shall, subject to the special provisions contained in treaties in force, be laid down by the Council, but in no case shall such provisions place the parties in a position of inequality before the Court.

When a State which is not a Member of the League of Nations is a party to a dispute, the Court will fix the amount which that party is to contribute towards the expenses of the Court.

Article 36.—The jurisdiction of the Court comprises all cases which the parties refer to it and all matters specially provided for in treaties and conventions in force.

The Members of the League of Nations and the States mentioned in the Annex to the Covenant may, either when signing or ratifying the protocol to which the present Statutes is adjoined, or at a later moment, declare that they recognise as compulsory *ipso facto* and without special agreement, in relation to any other Member or State accepting the same obligation, the jurisdiction of the Court in all or any of the classes of legal disputes concerning :—

(*a*) The interpretation of a treaty.

(*b*) Any question of International Law.

(*c*) The existence of any fact which, if established, would constitute a breach of an international obligation.

(*d*) The nature or extent of the reparation to be made for the breach of an international obligation.

The declaration referred to above may be made unconditionally or on condition of reciprocity on the part of several or certain Members or States, or for a certain time.

In the event of a dispute as to whether the Court has jurisdiction, the matter shall be settled by the decision of the Court.

Article 37.—When a treaty or convention in force provides for the reference of a matter to a tribunal to be instituted by the League of Nations, the Court will be such tribunal.

Article 38.—The Court shall apply :—

1. International conventions, whether general or particular, establishing rules expressly recognised by the contesting States.

2. International custom, as evidence of a general practice accepted as law.

3. The general principles of law recognised by civilised nations.

4. Subject to the provisions of Article 59, judicial decisions and the teachings of the most highly qualified publicists of the various nations, as subsidiary means for the determination of rules of law.

This provision shall not prejudice the power of the Court to decide a case *ex aequo et bono*, if the parties agree thereto.

CHAPTER III.—PROCEDURE.

Article 39.—The official languages of the Court shall be French and English. If the parties agree that the case shall be conducted in French, the judgment will be delivered in French. If the parties agree that the case shall be conducted in English, the judgment will be delivered in English.

In the absence of an agreement as to which language shall be employed, each party may, in the pleadings, use the language which it prefers ; the decision of the Court will be given in French and English. In this case the Court will at the same time determine which of the two texts shall be considered as authoritative.

The Court may, at the request of the parties, authorise a language other than French or English to be used.

Article 40.—Cases are brought before the Court, as the case may be, either by the notification of the special agreement, or by a written application addressed to the Registrar. In either case the subject of the dispute and the contesting parties must be indicated.

The Registrar shall forthwith communicate the application to all concerned.

He shall also notify the Members of the League of Nations through the Secretary-General.

Article 41.—The Court shall have the power to indicate, if it considers that circumstances so require, any provisional measures which ought to be taken to reserve the respective rights of either party.

Pending the final decision, notice of the measures suggested shall forthwith be given to the parties and the Council.

Article 42.—The parties shall be represented by agents.

They may have the assistance of counsel or advocates before the Court.

Article 43.—The procedure shall consist of two parts : written and oral.

The written proceedings shall consist of the communication to the judges and the parties of cases, counter cases and, if necessary, replies ; also all papers and documents in support.

These communications shall be made through the Registrar, in the order and within the time fixed by the Court.

A certified copy of every document produced by one party shall be communicated to the other party.

The oral proceedings shall consist of the hearing by the Court of witnesses, experts, agents, counsel and advocates.

Article 44.—For the service of all notices upon persons other than the agents, counsel and advocates, the Court shall apply direct to the Government of the State upon whose territory the notice has to be served.

The same provision shall apply whenever steps are to be taken to procure evidence on the spot.

Article 45.—The hearing shall be under the control of the President, or, in his absence, of the Vice-President ; if both are absent, the senior judge shall preside.

Article 46.—The hearing in Court shall be public, unless the Court shall decide otherwise, or unless the parties demand that the public be not admitted.

Article 47.—Minutes shall be made at each hearing, and signed by the Registrar and the President.

These minutes shall be the only authentic record.

Article 48.—The Court shall make orders for the conduct of the case, shall decide the form and time in which each party must conclude its arguments, and make all arrangements connected with the taking of evidence.

Article 49.—The Court may, even before the hearing begins, call upon the agents to produce any document, or to supply any explanations. Formal note shall be taken of any refusal.

Article 50.—The Court may, at any time, entrust any individual, body, bureau, commission or other organisation that it may select, with the task of carrying out an enquiry or giving an expert opinion.

Article 51.—During the hearing any relevant questions are to be put to the witnesses and experts under the conditions laid down by the Court in the rules of procedure referred to in Article 30.

Article 52.—After the Court has received the proofs and evidence within the time specified for the purpose it may refuse to accept any further oral or written evidence that one party may desire to present unless the other side consents.

Article 53.—Whenever one of the parties shall not appear before the Court, or shall fail to defend his case, the other party may call upon the Court to decide in favour of his claim.

The Court must, before doing so, satisfy itself not only that it has jurisdiction in accordance with Articles 36 and 37, but also that the claim is well founded in fact and law.

Article 54.—When, subject to the control of the Court, the agents, advocates and counsel have completed their presentation of the case, the President shall declare the hearing closed.

The Court shall withdraw to consider the judgment.

The deliberations of the Court shall take place in private and remain secret.

Article 55.—All questions shall be decided by a majority of the judges present at the hearing.

In the event of an equality of votes, the President or his deputy shall have a casting vote.

Article 56.—The judgment shall state the reasons on which it is based.

It shall contain the names of the judges who have taken part in the decision.

Article 57.—If the judgment does not represent in whole or in part the unanimous opinion of the judges, dissenting judges are entitled to deliver a separate opinion.

Article 58.—The judgment shall be signed by the President and by the Registrar. It shall be read in open Court, due notice having been giving to the agents.

Article 59.—The decision of the Court has no binding force except between the parties and in respect of that particular case.

Article 60.—The judgment is final and without appeal. In the event of dispute as to the meaning or scope of the judgment, the Court shall construe it upon the request of any party.

Article 61.—An application for revision of a judgment can be made only when it is based upon the discovery of some fact of such a nature as to be a decisive factor, which fact was, when the judgment was given, unknown to the Court and also to the party claiming revision, always provided that such ignorance was not due to negligence.

The proceedings for revision will be opened by a judgment of the Court expressly recording the existence of the new fact, recognising that it has such a character as to lay the case open to revision, and declaring the application admissible on this ground.

The Court may require previous compliance with the terms of the judgment before it admits proceedings in revision.

The application for revision must be made at latest within six months of the discovery of the new fact.

No application for revision may be made after the lapse of 10 years from the date of the sentence.

Article 62.—Should a State consider that it has an interest of a legal nature which may be affected by the decision in the case, it may submit a request to the Court to be permitted to intervene as a third party.

It will be for the Cour to decide upon this request.

Article 63.—Whenever the construction of a convention to which States other than those concerned in the case are parties is in question, the Registerar shall notify all such States forthwith.

Every State so notified has the right to intervene in the proceedings ; but if it uses this right, the construction given by the judgment will be equally binding upon it.

Article 64.—Unless otherwise decided by the Court, each party shall bear its own costs.

ANNEX 2.—*Protocol of Signatures.*

The members of the League of Nations, through the undersigned, duly authorised, declare their acceptance of the adjoined Statute of the Permanent Court of International Justice, which was approved by a unanimous vote of the Assembly of the League on the 13th December 1920 at Geneva.

Consequently, they hereby declare that they accept the jurisdiction of the Court in accordance with the terms and subject to the conditions of the above-mentioned Statute.

The present Protocol, which has been drawn up in accordance with the decision taken by the Assembly of the League of Nations on the 13th December 1920, is subject to ratification. Each Power shall send its ratification to the Secretary-General of the League of Nations ; the latter shall take the necessary steps to notify such ratification to the other signatory Powers. The raification shall be deposited in the archives of the Secretariat of the League of Nations.

The said Protocol shall remain open for signature by the Members of the League of Nations and by the States mentioned in the Annex to the Covenant of the League.

The Statute of the Court shall come into force as provided in the above-mentioned decision.

Executed at Geneva, in a single copy, the French and English texts of which shall both be authentic.

16th December 1920.

Optional Clause.

The undersigned, being duly authorised thereto, further declare, on behalf of their Government, that from this date they accept as compulsory *ipso facto*, and without special Convention, the jurisdiction of the Court in conformity with Article 36, para. 2, of the Statute of the Court under the following conditions.

L105LD—300—8-8-21—GCPS

REPORT

OF THE

DELEGATES OF INDIA

TO THE

SECOND SESSION OF THE ASSEMBLY

OF THE

LEAGUE OF NATIONS

DELHI
SUPERINTENDENT GOVERNMENT PRINTING, INDIA
1922.

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REPORT OF THE DELEGATES OF INDIA TO THE SECOND SESSION OF THE ASSEMBLY OF THE LEAGUE OF NATIONS.

TO THE RIGHT HONOURABLE E. S. MONTAGU, M.P., HIS MAJESTY'S PRINCIPAL SECRETARY OF STATE FOR INDIA.

SIR,

We beg to submit our Report on the proceedings of the second session of the Asssmbly of the League of Nations at Geneva, at which we had the honour to represent India.

It may be mentioned that confidential weekly reports were sent by Sir William Meyer to the Under Secretary of State for India, and copy of the same to His Excellency the Viceroy.

2. The Assembly met on Monday, 5th September. This year there were 48 States with the right to send representatives, but none appeared from Argentina, Guatemala, Honduras, Nicaragua, Peru and Salvador. A list of the delegates of other States will be found in Appendix I. As stated in paragraph 152, three new member States—Esthonia, Latvia, and Lithuania—were subsequently elected, and their delegates then took part in the Assembly's business.

3. Mr. Wellington Koo (China), as being for the time President of the Council, took the chair at the opening of the Assembly and made a good opening address.

4. The first business undertaken was the election of a Committee of eight members to examine the credentials of the delegates to the League. H. H. the Maharao of Kutch was one of the representatives on this Committee.

5. The next step was the election of a President, and M. van Karnebeek (Netherlands) was elected after a contest with M. da Cunha (Brazil). The British Empire Delegations had resolved to support M. van Karnebeek on the ground that it was not advisable that the President of the Assembly should belong to a State represented on the Council. M. van Karnebeek, however, filled the office in a satisfactory manner. At a subsequent meeting M. Ador (Switzerland) was elected Honorary President.

6. On the 6th September six Grand Committees were constituted to deal respectively with matters relating to: (1) constitutional and legal questions; (2) international technical organisations (transit, health and economic and financial); (3) armaments and blockade; (4) League finance and secretariat organization; (5) humanitarian questions (opium, typhus, traffic in women and children, etc.); and (6) political questions, such as the admission of new States to the League. Each State represented at the Assembly had one representative on each Committee, and the distribution of the work among the various Committees was as follows:—

NOT REFERRED TO ANY COMMITTEE.

General Report by the Secretary-General on the work of the Council and the Secretariat and upon the measures taken to execute the decisions of the Assembly.

Permanent Court of International Justice.

Report on the ratifications of the Protocol drawn up last year for the constitution of the Court.

Election of Judges (paragraph 12).

Appointment of the four non-permanent Members of the Council (paragraph 164).

A resolution by Lord Robert Cecil that greater publicity should be given to the Council's proceedings. This was adopted on the 16th September (Appendix II, Resolution No. 41).

COMMITTEE No. I.

Report by the Council on the conclusions of the Committee on Amendments to the Covenant.

Report by the Council on the conclusions of the Committee appointed to examine the scope and intentions of Article 18 of the Covenant from a legal point of view.

There were subsequently referred to this Committee :—A resolution by Professor Gilbert Murray on the subject of the protection of minorities, and a proposal by Lord Robert Cecil for the simplification of voting by an amendment to the Rules of Procedure.

COMMITTEE No. II.

Report of the work of the Advisory Economic and Financial Committee.

Report of the Advisory and Technical Committee on Communications and Transit.

Report of the Technical Committee of the International Health Organisation of the League.

Organisation of International Statistics.

COMMITTEE No. III.

Report on the conclusions of the temporary Commission on the Reduction of Armaments.

Report on the conclusions of the International Blockade Committee.

COMMITTEE No. IV.

Report from the Committee appointed to examine the organisation, etc., of the Permanent Secretariat and the International Labour Office.

The allocation of the expenses of the League, including the report by the Council on the conclusions of the Committee appointed to study this question.

Draft Budget for 1922.

Audit of accounts for second fiscal period (1st July to 31st December 1920).

Auditor's Report.

COMMITTE No. V.

Presentation by the Council of the Report of the Advisory Committee on the Traffic in Opium.

Report by the Council on the work of the Commission of Enquiry with regard to the Deportation of Women and Children in Turkey and adjacent countries.

Report by the Council on the International Conference on the Traffic in Women and Children.

Report by the Council on the Typhus campaign.

Report by the Council on the International Co-ordination of Intellectual Work.

There was subsequently referred to this Committee :—A resolution by Mr. Doherty (Canada) on the status of Eastern Galicia.

COMMITTEE No. VI.

Requests for admission to the League by :—

Esthonia, Latvia,
Hungary, Lithuania,

And as regards Albania—

(1) The decision adopted by the Council of the League of Nations on 25th June 1921, in regard to the request of Albania concerning her dispute with Greece and the Serb-Croat-Slovene State.

(2) Appeal by the Government of Albania against the occupation of certain territory by troops of the Serb-Croat-Slovene State.

There were subsequently referred to this Committee:—Dr. Nansen's resolution on the subject of Famine in Russia; Professor Gilbert Murray's resolution on the subject of a national home for Turkish Armenians; Lord Robert Cecil's resolution on Mandates.

7. Sir William Meyer represented India on Committees II and IV, Mr. Sastri on Committees I and V, and H. H. the Maharao of Kutch on Committees III and VI.

The distribution of Committee work among the delegates was affected by the fact that it had been determined that, for time-table purposes, these Committees should form two groups—those of group A. *viz.*, Committees I to III, to meet simultaneously on the afternoons of Monday, Wednesday and Friday (the mornings being reserved for the full Assembly), and those of group B, *viz.*, Committees IV to VI, to meet on the afternoons of Tuesday, Thursday and Saturday. But the delegates of India were, of course, in close intercommunication throughout.

8. The Committees elected the following Chairmen and Vice-Chairmen :—

Committee No. I.—Chairman, M. Scialoja (Italy); Vice-Chairman, M. Urrutia (Columbia).

Committee No. II.—Chairman, M. Jonesco (Rumania); Vice-Chairman, M. Freire d'Andrade (Portugal).

Committee No. III.—Chairman, M. Branting (Sweden); Vice-Chairman, M. de Aguero y Bethancourt (Cuba).

Committee No. IV.—Chairman, M. Edwards (Chile); Vice-Chairman, M. Herluf Zahle (Denmark).

Committee No. V.—Chairman, Mr. Doherty (Canada); Vice-Chairman, M. Tang Tsai-Fou (China).

Committee No. VI.—Chairman, M. le Comte de Gimeno (Spain); Vice-Chairman, M. Escalante (Venezuela).

There was a general feeling that members of the League Council should not preside over Committees, and no such member was elected.

9. The Assembly then proceeded to the election of six general Vice-Presidents, who, with the six Chairmen of Committees and the President, form the Bureau for the general control of the business of the Assembly. At the first ballot only five nominees had an absolute majority, and a second ballot was necessary between M. Benes (Czecho-Slovakia) and M. Torriente (Cuba), the former being elected. The final list was as follows :—

M. Bourgeois (France), M. da Cunha (Brazil), Mr. Balfour (Great Britain), Viscount Ishii (Japan), M. Hymans (Belgium), M. Benes (Czecho-Slovakia).

The British Empire Delegations would have been very glad had H. H. the Maharao of Cutch been elected one of the Vice-Presidents, but the success of his candidature was handicapped by his being new to the Assembly. In these circumstances, it is gratifying that he received several outside votes.

10. At the meeting of 7th September, the Assembly confirmed the provisional Agenda for future meetings, which had been placed before it by the Secretariat, and this gave rise to a lively debate between the representatives of Bolivia and Chile regarding a request by the Bolivian Government for the inclusion in the Agenda of the application of Article 19 of the Covenant to a treaty of peace between Bolivia and Chile signed in 1904. It was eventually decided, after the question had been submitted to a special Committee

of Jurists, that the Bolivian request was out of order, because the Assembly could only invite the Members of the League to reconsider treaties in certain conditions set forth in Article 19, and would, in the present instance, have to consider as a preliminary whether these conditions did in point of fact exist; and Bolivia then withdrew the proposal, but with a reservation as to bringing it up on a future occasion. It may be noted here that Poland withdrew her request for the inclusion in the Agenda of a proposed amendment to Article 6, paragraph 3 of the Covenant, dealing with national representation on the Secretariat.

11. At the meeting of the 8th September the Assembly began a general discussion, which lasted until the 17th September, on a bulky report on the work of the Council and the measures taken to execute the decisions of last year's Assembly. In the course of the debate Mr. Sastri made a speech which was most warmly applauded, and the full text of which will be found in Appendix IV (Annex 1).

Election of the Judges of the Permanent Court of International Justice.

12. On 14th September the Assembly met both morning and afternoon, and nearly the whole of these two sittings was taken up by action in respect of election of Judges for the Permanent Court of International Justice, a matter which gave rise to a great deal of lobbying.

It should be noted that under the constitution of the Court the Council of the League and the Assembly have equal powers in regard to the selection of Judges, so that an agreement between the two is requisite.

13. Each body had thus to select 11 Judges, and at the first Assembly ballot an absolute majority of votes, which was requisite, was obtained by—

M. Altamira (Spain).
M. Alvarez (Chile).
M. Anzilotti (Italy).
M. Barboza (Brazil).
M. de Bustamante (Cuba).
Viscount Finlay (Great Britain).
M. Loder (Netherlands).
M. Oda (Japan).
M. Weiss (France).

Most of these persons had been voted for by the Indian Delegation after consultation with the other Empire Delegations, and we also voted for Mr. Amir Ali, whom our sister delegations likewise supported, and for Sir Robert Borden, but Mr. Amir Ali only got seven votes and Sir Robert Borden 12.

14. It was then necessary to vote again for two other Judges, and the original intention had been that the procedure should be that laid down in the Assembly's Rules of Business in respect of election to plural appointments, such as Vice-President, *viz.*, that the second ballot should be confined to those persons, not exceeding double the number of places still to be filled, who had obtained the largest number of votes on the first ballot.

It was contended, however, by M. Fernandes (Brazil) that this domestic procedure of the Assembly was not applicable to the method of election for the Judges, which ought to be carried out, under the terms of the Statute of the International Court, in the same manner throughout. After some discussion this proposal carried the day, and it was resolved that at every ballot delegates should be entitled to vote for anyone they pleased. This method, of course, lengthened the proceedings by the scattering of votes.

On the second ballot Mr. Moore (United States) got an absolute majority, but it was not until the fifth that such a majority was obtained by M. Huber (Switzerland).

15. Nine of the 11 candidates thus selected by the Assembly also found favour with the Council, but in regard to two selections there was difference, the Council having voted for M. Nyholm (Denmark) and M. Descamps (Belgium), while the Assembly had preferred M. Alvarez (Chile) and M. Huber (Switzerland). A further vote was, therefore, necessary, and this resulted in

the Assembly adopting M. Nyholm (Denmark), but standing out for M. Huber (Switzerland) as against M. Descamps (Belgium). The Council accepted this solution, so that the 11 Judges were finally constituted thus:—

M. Altamira (Spain), M. Anzilotti (Italy), M. Barboza (Brazil), M. de Bustamante (Cuba), Viscount Finlay (Great Britain), M. Huber (Switzerland), M. Loder (Netherlands), Mr. Moore (United States), M. Nyholm (Denmark), M. Oda (Japan), M. Weiss (France).

16. The Assembly then went on to the election of four substitute Judges to take the place of regular Judges who might be incapacitated, and the Indian Delegation (and the British Empire Delegations generally) made great efforts to obtain the selection of Mr. Amir Ali.

On the first ballot M. Alvarez (Chile) and M. Negulesco (Rumania) obtained an absolute majority, while Mr. Amir Ali secured 13 votes, increased to 14 on the second ballot, which latter gave no conclusive result. On the third ballot Mr. Amir Ali's votes dropped to nine, and an absolute majority was obtained by Mr. Wang Chung-Hui (China) and Mr. Yovanovitch (Serb-Croat-Slovene State).

The Assembly's list was thus constituted as follows:—M. Alvarez, M. Negulesco, Mr. Wang Chung-Hui, M. Yovanovitch.

17. The Council's list contained the last three names, but instead of M. Alvarez had M. Descamps (Belgium). Another ballot was, therefore, necessary, and the Assembly sustained the nomination of M. Alvarez, while the Council held to M. Descamps. A third contest between the Assembly and the Council led to exactly the same result. It was, therefore, decided, under the provisions of the Statute of the Court, to appoint a mixed Committee of Selection, which would consist of three members of the Assembly and an equal number of the Council. This Joint Committee proposed to withdraw both M. Descamps and M. Alvarez, and to substitute M. Beichmann (Norway), and the Assembly and the Council agreed to ratify that proposal.

18. The non-election of Mr. Amir Ali, in spite of our efforts, was very disappointing as he would have been an admirable representative not merely of India but of Muhammadan jurisprudence.

Work of Committee No. I.—Constitutional and Legal Questions.

19. Committee No. I held its first meeting on the 7th September, when it appointed six sub-Committees to deal with the matters before it.

It also selected three members—M. Noblemaire (France), Mr. Bruce (Australia), and M. Osusky (Czecho-Slovakia)—to meet a similar number of members of Committee IV, and discuss in common the amendments to the Covenant which might be necessitated by new arrangements in regard to the Budget and the allocation of expenses of the League. (For the report of this Committee *see* paragraph 101.)

Amendments to the Covenant.

*Article 1 (Membership of the League).**

20. The Committee rejected the amendment to Article 1 of the Covenant proposed by Argentina last year (*vide* paragraph 14 of the Indian Delegation's Report on the work of the first Assembly), which aimed at the automatic admission to the League of all States willing to join it. The report to the Assembly on this subject was drawn up by M. Scialoja (Italy), who indicated that the actual wording of the amendment was defective, as the Argentine Government had itself admitted; and that as regards the substance, although the principle involved was excellent, the Committee did not think that the moment for applying it had yet come. The delegates of Uruguay, Colombia, Chile, and Spain concurred in this view, and some of them expressed the hope that Argentina would soon resume her place in the Assembly.

* The Articles are referred to in the order in which the Committee reported on them.

Action by the Assembly.

The Committee's proposal that the Assembly should adjourn the discussion of the proposal was unanimously adopted by the Assembly on the 4th October (Appendix II, Resolution No. 25).

21. The Committee adopted the conclusions of one of its Sub-Committees regarding the position of minute States, such as Lichtenstein and Monaco—which desired to join the League, but could not well be admitted owing to their small size—that it would be difficult to lay down any general rule for partial association of such States with the League, but that as each particular case arose examination might be made of the best practical action to effect this.

Action by the Assembly.

On the 4th October the Assembly approved the Committee's proposals (Appendix II, Resolution No. 26).

Articles 3, 12, 13 and 15 (Meetings of the Assembly and disputes between Members).

22. Certain amendments proposed by the Scandinavian and other Governments in respect of Articles 3, 12, 13 and 15 were considered unnecessary by the Sub-Committee entrusted to deal with them. Those relating to Article 3 had for their object to make an annual session of the Assembly obligatory, and to have supplementary sessions whenever an adequate number of constituent States desired it, but this proposal was withdrawn. The withdrawal was duly noted by the Assembly on the 6th October (Appendix II, Resolution No. 34).

Action by the Assembly.

23. The Scandinavian Governments had suggested amendments of Articles 12 and 15 to make provision for a system of commissions of arbitration and conciliation to deal with disputes which come before the League. Committee I considered this was premature, and that the procedure desired should be subject to further investigation by a special Committee, so that the matter might be further dealt with next year. This recommendation was approved by the Assembly on the 5th October (Appendix II, Resolution No. 27).

Action by the Assembly.

24. The Scandinavian Government had desired to leave out the word "generally" in the clause "among those which are generally suitable for submission to arbitration," in the second paragraph of Article 13 of the Covenant. This would emphasise the obligation of Member States to have recourse to arbitration for the settlement of disputes under this Article. Committee I asked the Assembly to reject this amendment, which was, moreover, not now insisted on by the Governments which had fathered it, on the ground that, in connection with the Permanent Court of International Justice, certain States had already accepted the principle of obligatory arbitration, and that this principle should be left to develop gradually. The Committee's view was confirmed by the Assembly on the 6th October (Appendix II, Resolution No. 35).

Action by the Assembly.

25. On the other hand, the Committee pointed out that Articles 12, 13 and 15 required some verbal amendments making reference to judicial settlement or judicial decision, and in particular they desired that a definite reference to the Permanent Court of International Justice should be included in Article 13. These amendments were fully approved by the Assembly on the 8th October. The text of the three Articles as amended will be found in Appendix II (Resolutions 38, 39 and 40), the new matter being printed in italics.

Action by the Assembly.

Article 21 (International Engagements).

26. The Committee discussed at some length a proposal to amend Article 21 so as to make it read as follows, the second clause being new:—

"Nothing in this Covenant shall be deemed to affect the validity of international engagements, such as treaties of arbitration or regional understandings like the Monroe doctrine, for securing the maintenance of peace.

"Agreements between Members of the League tending to define or complete the engagements contained in the Covenant for the maintenance of peace or the promotion of international co-operation may not only be approved by the League, but also promoted and negotiated under its auspices, provided

these agreements are not inconsistent with the terms of the Covenant. Special conference of the Members of the League concerned may be summoned for this purpose by the Council or by the Assembly."

This was with the object of emphasising the legitimacy of regional understandings generally and of agreements between certain Members of the League for the maintenance of peace or the promotion of co-operation. China had, however, been restive about regional agreements for obvious reasons, which similarly led Czecho-Slovakia emphatically to approve them. Committee I came to the conclusion that the time had not yet arrived for such revision of the Article, especially as the present text did not exclude the application of the ideas that the proposed amendment involved. The Committee, therefore, proposed that, while Artile 21 should be retained as it is, the Assembly's attention should be drawn to the fact that " agreements between Members of the League tending to define or complete the engagements contained in the Covenant for the maintenance of peace or the promotion of international co-operation, may be regarded as of a nature likely to contribute to the progress of the League in the path of practical realisations.

" Such agreements may also be negotiated under the auspices of the League of Nations, for example, in special conferences, with its assistance."

The Committee's view was endorsed by the Assembly on the 6th October (Appendix II, Resolution No. 28). *Action by the Assembly.*

Article 10 (Guarantee against External Aggression).

27. An amendment to the Covenant, proposing to eliminate Article 10, had been put forward by the Canadian Delegation. The Committee considered that, as this amendment had given rise to widely different opinions with reference to the legal bearings of Article 10 and its relationship to other Articles of the Covenant (*e.g.*, Articles 12 and 17), it would be desirable that the matter should be held over until next session. On the 6th October this was agreed to by the Assembly, Mr. Doherty (Canada) pointing out that the reason his delegation had raised the question was that they thought that Article 10 contained a dangerous principle, *viz.*, that possession or the *status quo* should prevail over the needs of justice (Appendix II, Resolution No. 29). *Action by the Assembly.*

Article 18 (Registration of Treaties).

28. Committee I proposed that Article 18 should be expanded as shown below :—

" (1) Every treaty or international engagement entered into hereafter by any Member of the League shall be forthwith registered with the Secretariat, and shall as soon as possible be published by it.

" (2) No such treaty or international engagement shall be binding until so registered. Nevertheless, if treaties or international engagements are registered within three months of the time when they were definitely concluded, the effect of the registration will date back to that time.

" (3) It shall not be obligatory to submit for registration instruments of a purely technical or administrative nature which have no bearing on political international relations, nor instruments which consist merely of technical regulations defining without in any way modifying an instrument already registered, or which are only designed to enable such an instrument to be carried into effect.

" (4) Regulations adopted unanimously by the Assembly shall lay down the way in which these articles shall be applied."

The draft regulations contemplated in the last clause had reference to procedure and the view taken by the Committee was as follows :—

(*i*) Under Article 18 all treaties which create international legal obligations must, without exception or reservation, be submitted for registration, provided that one of the contracting parties is a Member of the League of Nations.

(*ii*) The registration of an instrument imposes no obligation on the League of Nations but that of providing for its publication.

(*iii*) Registration does not take the place of ratification. It is simply a condition upon the fulfilment of which the binding force of a treaty or international engagement is dependent. Once the treaty or agreement has been concluded, neither of the contracting parties can escape unilaterally from its obligations; but until registration has taken place, the treaty or agreement will lack positive binding force, both between the contracting parties and in regard to third parties.

(*iv*) As regards treaties and agreements which require registration, any contracting party, whether a member of the League of Nations or not, may demand such registration.

(*v*) With regard to treaties between States which are not Members of the League of Nations, there is no obligation to effect registration, but there is nothing to prevent the Secretary-General from acceding to requests for registration addressed to him by such States.

29. In the Assembly, on the 5th October, Mr. Balfour said that it was obvious that the matter was difficult and complex, and that a rigid and unqualified interpretation of Article 18 as it stands was impossible, *e.g.*, there were financial agreements which could not be registered and made public, as well as agreements in regard to executive details bearing on the application of treaties. He accordingly moved the following resolution, which it was agreed should be taken in two parts and separately voted on:—

"The Assembly, taking note of the proposal for the amendment of Article 18 contained in the report of Committee I, decides to adjourn the further consideration of this amendment until the third Assembly, it being understood that in the meantime Members of the League are at liberty to interpret their obligations under Article 18 in conformity with the proposed amendments."

The first part of this resolution, as regards the postponement of amendment of Article 18 to the next Assembly, was carried unanimously, while the second portion, concerning the liberty of Members of the League to interpret their obligations in conformity with the proposed amendments pending the adoption of the latter, was carried by 22 votes to 5. Subsequently, however, the point was raised that as unanimity was required the resolution was lost, and the President ruled accordingly. (Appendix II, Resolution 24.)

Articles 5 and 26 (Method of effecting Amendments).

30. The Committee discussed the correct procedure in regard to amendments to the Covenant, having regard to the terms of its Articles 5 and 26. The former Article lays down that, except where otherwsie expressly provided, resolutions at any meeting of the Assembly must be unanimous, and for this reason, in various cases last year, there was substituted for a formal resolution, in respect of which unanimity could not be obtained, a mere recommendation by a majority.

Article 26 of the Covenant lays down that "amendments to the Covenant will take effect when ratified by the Members of the League whose representatives compose the Council, and by a majority of the Members of the League whose representatives compose the Assembly." No such amendment shall bind any Member of the League which signifies its dissent therefrom, but in that case it shall cease to be a Member of the League.

31. There were, as a result, two schools of thought. One maintained that if an ordinary resolution required unanimity, this should *a fortiori* be necessary in regard to the far more important matter of amendment of the terms of the Covenant, and that Article 26 merely indicates what was to take place when, on unanimous resolutions of the Assembly and the Council, such amendments were passed on for formal ratification by the Governments of the League States.

The other school maintained that Article 26 must be taken as self-contained, and that unanimity was not necessary *quâ* resolutions for amending the

Covenant, in view of the subsequent ratification procedure laid down, whereas in the case of ordinary resolutions, as the ratification safeguard did not exist, unanimity was requisite.

Among the supporters of the former view were the Netherlands and French Delegates. Among those who took the view that amendments to the Covenant could be dealt with entirely with reference to Article 26 were Mr. Balfour and M. Motta (Switzerland). Mr. Sastri held that, as the Covenant stood, Article 26 could not be dissociated from Article 5, and that the proper course would be to get a unanimous decision that Article 26 should cover all questions relating to Covenant amendments. Future procedure could then be by a majority.

32. In their final report, discussing the question whether Article 26 must be read as linked with Article 5, so that a preliminary resolution by the Assembly for amendments must be unanimous, the Committee said that this is not necessary, *i.e.*, that amendments can be dealt with entirely under Article 26, and they cited in support of this a speech made by President Wilson at the Peace Conference on the 28th April 1919, and, among other documents, a commentary on the Covenant submitted to Parliament by the British Government.

The prerogatives of sovereign States were, they considered, guarded by the ratification procedure required by Article 26.

They proposed, however, as an additional safeguard, that Article 26 should be amended so as to require a preliminary vote in the Assembly to be carried by a three-fourths majority, and that this majority must further include the votes of the representatives of all the Council States (permanent and temporary) represented at the meeting. Some other amendments they suggested will be followed from the text of their recasting of Article 26 which is given below, fresh matter as compared with the existing Article being in italics :—

"Amendments to the present Covenant, *the text of which shall have been voted by the Assemby on a three-fourths majority, in which there will be included the votes of all the members of the Council represented at the meeting,* will take effect when ratified by the Members of the League whose representatives composed the Council when the vote was taken, and by the majority of those whose representatives formed the Assembly.

"*If the required number of ratifications shall not have been obtained within 18 months* after the voté of the Assembly, the proposed amendment shall remain without effect.*

"*The Secretary-General shall inform the Members of the putting into force of an amendment.*

"*Any Member of the League which has not at the time ratified the amendment is free to notify the Secretary-General within a year of its refusal to accept it, but in that case it shall cease to be a Member of the League.*"

Action by the Assembly.

33. After some discussion this resolution was approved by the Assembly on the 4th October (Appendix II, Resolution 23) by 37 votes, with none against (there were 14 abstainers or absentees), subject to an accepted amendment by M. Urrutia (Columbia) that the period of 18 months in respect of ratification should be extended to 22 months. M. Urrutia had likewise suggested that the period of one year referred to in the last clause of the resolution should be extended to two years, but this he subsequently withdrew.

34. The Indian Delegation voted for this amendment of the Covenant, as the proposal seemed to be an eminently reasonable one. It obviates the necessity of an unanimous assent of the Assembly to proposed amendments, which would, on occasion, be fatal to real progress, while the procedure now proposed gives adequate safeguard against action by narrow and possibly not very responsible majorities.

35. In the course of the discussion in the Assembly Sir James Allen (New Zealand) stated that, in order to avoid the possibilty of "snatch votes" he would

*Extended to 22 months by the Assembly, *see* paragraph 33.

ask his Government to get placed on the agenda of the next Assembly the question of fixing a quorum for validity of decisions of the Assembly and of Committees (there is no such quorum rule at present), and of some amendment to Article 19 (5) of the Rules of Procedure, which lays down that in matters of voting abstaining representatives are put on the same footing as absentees.

36. Approval was also given by the Assembly to a recommendation put forward by Committee I, that during the present session the principle now proposed to be embodied in Article 26 in respect of the voting of resolutions be applied, *i.e.*, the Assembly was recommended not to pass any resolution for amendment to the Covenant unless it obtained a three-fourths majority and embodied the votes of the delegates representing Members of the Council. The Assembly further approved the proposal of the Committee that when amendments to Articles of the Covenant had been voted by the Assembly it was desirable, in order to expedite the process of ratification by the consituent States, that a protocol in regular form should be appended for signature by delegates who deemed themselves competent to give such signature on behalf of their Governments; this, of course, without prejudice to the necessity for subsequent ratification of such Governments (Appendix II, Resolution No. 23).

Article 4 (Non-permanent Members of the Council).

37. With reference to Article 4 of the Covenant, dealing with the composition of the Council of the League, the Belgian Delegate suggested that the number of non-permanent Members of the Council should be raised from four to six, his obvious desire being to make it more probable that Belgium would be re-elected by the Assembly at this session. It was decided that the question of augmentation of the number of Members of the Council should first be dealt with by the Council itself, and M. Noblemaire (France) considered that it would not be opportune to take any such decision at present while there were still great States who were not Members of the League. Finally, it was decided to inform the Council unofficially of the discussion.

Action by the Assembly.

38. The Committee's report to the Assembly recommended that the non-permanent Members of the Council should, in future, be elected according to a system of rotation for a fixed period, and that the Assembly should this year renew for the year 1922 the appointment of the present members. In the absence of any decision with regard to the future number of non-permanent Members of the Council, the Committee considered it inexpedient to lay down precise rulings; it suggested, however, an amendment to Article 4, which was adopted, with the object of enabling the Assembly to fix rules for the election, terms of office and conditions of re-eligibility of the non-permanent Members. The resolution as finally passed by the Assembly will be found in Appendix II. (Resolution 32.)

Article 5 (The Principle of Unanimity).

39. On the 6th October the Assembly adopted without discussion the conclusion of Committee I as regards the first paragraph of Article 5 of the Covenant, to the effect that the question of derogations from the principle of unanimity was a matter not yet ripe for consideration (Appendix II, Resolution No. 36). But, as indicated above (paragraph 32), it has been decided that Article 5 does not cover resolutions having in view the amendment of the Covenant.

PROTECTION OF MINORITIES.

40. Professor Gilbert Murray had brought forward the following motion in the Assembly:—"That, in order effectively to carry out the duties of the League in guaranteeing the protection of minorities, the Council be invited to form a Permanent Commission to consider and report upon complaints addressed to the League on this matter, and, where necessary, to make enquiries on the spot." This was referred to Committee I. Having considered the Report of a Sub-Committee the Committee took note that a resolution adopted by the Council on 25th October 1920 met the desire expressed in Professor Gilbert Murray's motion. Professor Murray, therefore, withdrew his proposal.

Amendment of the Rules of Procedure.

Article 20.

41. Lord Robert Cecil (South Africa) proposed in the Assemby an amendment of Article 20 regarding the taking of the "Appel Nominal." This was referred to Committee I, which recommended the adoption of the proposal, with slight modifications. On the 23rd September the Assembly accepted the recommendation, which leads to more expeditious voting. Rule 20 as amended will be found in Appendix II. (Resolution 7.)

Article 14.

42. Committee I was asked by Committee IV to give an opinion on the advisability of an addition to the second paragraph of Article 14 of the Rules of Procedure, providing that resolutions involving expenditure should not be voted by the Assembly before the Financial Committee had given its opinion on the advisability of the proposed expenditure from a ways and means point of view. Committee I, after examination by a Sub-Committee, recommended an addition to the second paragraph of Article 14 in this sense. The proposal was unanimously adopted by the Assembly on the 6th October (Appendix II, Resolution No. 31). *Action of the Assembly.*

Work of Committee No. II. (Technical Organisations: Transit, Health, Economic and Financial: Statistics.)

The Economic and Financial Committee.

43. This subject was introduced by interesting expositions from Sir Henry Strakosch and M. Avenol in respect of the work of the Financial Section of the Temporary Economic and Financial Committee.

44. Sir Henry Strakosch admitted that the world situation at present precluded any material alleviating action in regard to such matters as exchange and international credits. The much vaunted Ter Meulen scheme had, he was obliged to admit, hitherto proved a dead letter, no advantage having been taken of it. His explanation was that when the resolution was drawn up, the countries of the world were eager for goods, but had no ready money to pay for them; whereas now, owing to fall in prices, there was a glut. This latter proposition can, probably, only be accepted as partially applicable, and Sir Henry did not mention a very real factor, as against the adoption of the Ter Meulen scheme, that the States whose nationals were to obtain credits thereunder were unwilling to set aside State assets for the redemption of these credits, as the scheme contemplated. Sir Henry Strakosch indicated also that world conditions could not be materially improved till certain nations stopped their present free use of the printing press in supplying themselves with currency, and that it was as yet quite premature to consider a further international valuation of currencies in gold.

45. M. Avenol stated that he and his colleagues, after personal investigation in Vienna, had found that, if Austria received reasonable help, she would be able to help herself towards the recovery of her financial position. He said that the Austrian Parliament, with the full support of all parties, had made large additions to taxation to cover the gap between receipts and expenditure in their budgets, but that their action had been rendered inadequate by delay on the part of the States, who were to forego their liens on Austria, agreeing to suspend these, while the United States, whose assent was necessary, had not yet taken such action. Consequently, there had been a very large further fall in the exchange, which reopened the gap between receipts and expenditure.

46. The Committee then took into consideration the reports of the Economic Section of the Provisional Economic and Financial Committee set up by the Council.

47. M. Ador (Switzerland), acting as *rapporteur* and also as President of the Joint Economic and Financial Committee, proposed to submit to the Assembly the following draft resolution :—

(1) The Assembly is of opinion that the constitution of a definitive Economic and Financial Advisory Committee, as contemplated by the Resolution of the 9th December 1920 on Technical Organisations, is not imperative during the forthcoming year ; but considers that the Provisional Economic and Financial Committee should continue its work until the next Assembly in accordance with the Resolution of the Council of the 19th September 1921.

(2) The Assembly considers it to be of the greatest importance that the Provisional Economic and Financial Committee should carry out the programme of work indicated in the reports mentioned above, including the study of the following questions :—Double taxations, the monetary situation, unfair competition, monopolies, unification of legislation relating to bills of exchange, commercial methods designed to obviate the risks arising from fluctuations of the exchanges. The Assembly also invites the Committee to make a general study of the provision of the Convenant relating to the equitable treatment of commerce.

(3) The Assembly agrees that it is not necessary to convoke at an early date a general Conference for the study of the principal financial and economic questions ; and approves the proposal whereby the Council, if it considers it desirable so to do, may, with the advice of the Provisional Economic and Financial Committee, convoke consultative conferences of restricted scope for the examination of special problems.

(4) The Assembly regrets that the work of the reconstruction of the finances of Austria, in which the Provisional Economic and Financial Committee have been called upon to co-operate, should have been delayed by obstacles lying outside the control, not merely of the Committee, but of the League of Nations itself. The Assembly hopes that these obstacles will shortly be removed.

(5) The Assembly agrees to the proposal that the work of organising the International Credit Scheme should be pursued in the manner set out in the report submitted by the Provisional Economic and Financial Committee to the Council.

(6) The Assembly commends to the serious consideration of the Members of the League the general conclusions of the Report on Certain Aspects of the Raw Materials Problem, especially those calling attention to the effects that may be produced by artificial restrictions and duties on the export of essential raw meterials on the economic life of other countries.

(7) The Assembly, recognising the intimate connection between the restoration of transport facilities and the supply and distribution of raw materials, expresses the earnest hope that every effort will be made to expedite the work of the various Commissions charged with such matters as reallocation and interchange of rolling stock in certain parts of Europe.

(8) The Assembly invites the Advisory and Technical Committee on Communications and Transit to consider the desirability of action being taken, under the provision which empowers the Council to call partial or regional Conferences to consider special matters, with a view to promoting the improvement of facilities for inter-communication and transport between those States whose transport systems have specially suffered from disorganisation.

48. It will be seen that the raw materials question was mainly dealt with in clause 6 of the draft resolution, which refers to a report on the raw materials problems printed in Appendix III (Annex 1). This report will repay perusal, and special attention is invited to the fact that the Economic Section fully endorse the view which Sir William Meyer expressed last year on behalf of India as to the incontestable right of States to dispose freely of their internal resources and, in exceptional circumstances, to reserve these to themselves ; also to impose export duties, where this was deemed necessary, as a means of

raising revenue. They likewise condemned any scheme of international rationing. Consequently, clause 6 of the resolution was of no danger to India, and indeed strengthens her position. The passage at the end of the clause as to artifical restrictions and export duties does not apply to India's policy, but to one deliberately intended as a means of economic warfare and to special differentiation against particular nations.

The word "especially" which introduced this passage was, however, on an amendment by Sir George Perley (Canada) altered to "including" which is an improvement.

49. There was a long discussion on the various clauses, and it will suffice to note that (*a*) the representatives of Serbia, Italy, France and Brazil were emphatic about the necessity of remedying the disorganisation of the world's credit and exchanges, but made no practical suggestions as to how this excellent object was to be attained; (*b*) the Japanese delegate (M. Adatci) pressed for an addition, with reference to the last sentence of clause 2, which invites the Economic and Financial Committee to make a special study of the provisions of the Covenant (Article 23 (*e*)) relating to "the equitable treatment of commerce." M. Adatci wished to hasten things, and proposed that the Committee should proceed to this at once, and formally draft a convention which might be approved by the next Assembly.

Sir H. Llewellyn Smith and M. Ador deprecated undue haste in regard to this delicate matter, and pointed out that the actual meaning of the term "equitable treatment for the commerce of all Members of the League" in Article 23 (*e*) of the Covenant was open to various interpretations. Did it, for instance, on the principle of *ejusdem generis*, refer primarily to freedom of communications and transit, or did it go further? M. Adatci accepted a proposal by Sir H. Llewellyn Smith that there should be no mention of a convention, but that the Provisional Economic and Financial Committee should be asked to report as soon as possible.

It may be mentioned in this connection that the words "unfair competition" used in clause 2 of the resolution refer, as will be seen from the Raw Materials Report, to false trade marks, actions of private traders, such as giving incorrect descriptions of goods, etc, and that the word "monopolies" apparently refers to the operations of commercial trusts and does not apply to Government monopolies such as salt, tobacco, or, in India, opium production.

50. After a lengthy discussion on various suggestions, which were more of wording than of substance, it was finally decided to refer these suggestions to the consideration of a Sub-Committee consisting of M. Ador (Switzerland), Sir H. Llewellyn Smith (Great Britain), M. Ferraris (Italy), M. Hanotaux (France), and M. Adatci (Japan). If they were agreed in regard to amendments (of form, not of substance) to the resolution, they might be treated as plenipotentiaries of the Committee, and the resolution, as amended by them, could be submitted to the Assembly without a further full meeting. If, however, there were divergences of opinion, Committee II would meet again. It was understood that any member of the full Committee dissatisfied with conclusions which the drafting Committee had arrived at, would be at liberty to ventilate the question in the Assembly.

51. At the meeting of the Assembly on the 28th September, M. Ador (Switzerland) brought forward the resolutions as finally drafted, and they were passed unanimously. These will be found in their final form in Appendix II, Resolution No. 13. There were some alterations in wording as compared with the original draft, which are indicated in italics. *Action by the Assembly.*

Communications and Transit.

52. After an opening speech by M. Hanotaux (France) dealing generally with the proper functions of the technical organisations of the League, M. Adatci (Japan) made an *expose* of the report of the Advisory and Technical Committee on Transport with reference to the decisions come to at the Barcelona

Conference, and a resolution for submission to the Assembly was carried to the following effect:—

"Without prejudice to the terms of paragraph 4 of section I, of a Resolution of 9th December 1920, relating to the Organisation for Communications and Transit, the general conferences on communication and transit shall meet, as of right, at the seat of the League, on the request of one-third of the Members of the League. Such request shall be addressed to the Secretary-General of the League, and the Agenda of the Conference should be attached to the request. It shall be the duty of the Secretary-General to convene the Conference."

The effect of this was that, whereas under the arrangements come to last year, a new general conference on communications and transit could only be called by an unanimous decision of the Council, there would now be an alternative method of having it summoned at the request of not less than one-third of the total number of constituent States of the League.

It may be noted that, as regards the additional protocol to the Waterways Convention drawn up at Barcelona last spring, which it had been decided that Sir William Meyer might sign on behalf of India, it was not possible for him to do so, as the necessary full powers had not arrived at the time the Assembly broke up.

53. Two other resolutions, put forward by M. Adatci, were also carried. The first of these expressed satisfaction at the fact that a number of States had already carried out the recommendations of the Conference held in Paris in October 1920 as regards simplification of formalities connected with the obtaining of passports and visas, the reduction of passport prices, and the unification of passport regulations. The resolution went on to draw the attention of all States which had not yet progressed in this direction to take similar measures.

The second asked that all possible facilities should be given to the members of the various committees of the League in the matter of passports, particularly as regards visas and the period of their validity.

54. M. Avramovitch (Serb-Croat-Slovene State) drew attention to the fact that the Technical Committee appointed by the Conference at Barcelona, which consisted, besides the four representatives of States permanently belonging to the Council of the League, of 12 other members elected by the Conference, did not include any representative of the Danubian States, although these were most materially interested in questions of international transit, etc. He took note of the remarks of M. van Eysinga (Netherlands), who is President of this Technical Committee, that they were endeavouring to remedy this to some extent by calling in, as technical assessor, a Serb representative. M. Avramovitch was, however, not satisfied with this. He wanted actual representation on the Committee, and put forward a resolution that the Assembly should take steps to add to the Committee one representative at least of the Danubian States. This proposal was criticised by Sir William Meyer and other delegates, *e.g.*, M. Hanotaux (France), M. Adatci (Japan) and M. van Eysinga (Netherlands), on the ground that while they felt full sympathy with the position of the Danubian States, and regretted that the Barcelona Conference did not give them representation on the Technical Advisory Committee, they could not agree to go outside the constitution of that Committee as laid down by the Assembly last year, one of the Assembly's objects having been to keep down the numbers.

Sir W. Meyer pointed out, too, that Article 293 of the Treaty of Trianon provided for a Special Commission on the Danube waterways, and that the Council had taken steps to call it into existence.

M. Avramovitch's resolution was rejected in favour of one proposed by M. Hanotaux (France) to the following effect:—

"The Assembly takes note of the designation by the Advisory Committee for Communications and Transit of a railway expert national of a riparian State of the Danube, and invites the Committee to proceed also, in its next session, to the designation of one or more than one other experts, specially

qualified in the different matters dealt with by this Committee and nationals of other riparain States of the Danube."

55. The resolutions were brought up by M. Adatci at the Assembly on the 22nd September. The first, referred to in paragraph 52 above, which provided for a conference to meet at any time at the request of not less than one-third of the constituent States of the League, was amended at the suggestion of Sir George Perley (Canada) so as to make the requisite number one-half. The other resolutions referred to in paragraph 53 above were passed as they stood, and are printed in Appendix II, Resolution No. 6. *Action by the Assembly.*

THE HEALTH ORGANISATION.

56. This subject was dealt with by the Assembly last year, when it was proposed to bring the *Office International d'Hygiene Publique*, in Paris under the control of the League. The organisation to be set up was:—(*a*) A General Committee, which was in effect the body of representatives of the *Office International*; (*b*) a Standing Committee, which was to be constituted thus:—Five members elected by the General Committee (*i.e.*, by the *Office International*) having regard to their scientific attainments and to geographical representation, the President of the General Committee, a representative of the League of Red Cross Societies, and a representative chosen by the Governing Body of the Labour Organisation; besides four representatives of the States permanently sitting on the Council of the League. That made in all 12 members.

The scheme had broken down because the United States declined to have anything to do with the League, and the *Office International*, to which the United States of America belongs, must, therefore, remain independent. The solution now put forward was that the League should constitute its organisation independently, and that the personnel of this organisation should, to a large extent, be drawn from the *Office International*. The proposal of the Council was that the Provisional Technical Committee should be composed of not more than 12 persons, invited to sit on the strength of their technical qualifications (and not of their nationality), together with a representative of the International Labour Office and one of the League of Red Cross Societies—in all 14 members, as against the original 12.

57. M. Rivas Vicuna (Chile), who was the *rapporteur*, put forward the following draft resolution:—

"The Health Organisation of the League shall provisionally include a Health Committee, the Secretariat of which, appointed by the Secretary-General of the League of Nations and responsible to him, shall be controlled by a Medical Director.

"The Epidemics Committee of the League shall form one section of the Health Committee."

The Portuguese delegate took exception to this, and Sir W. Meyer supported him, pointing out that the Council had materially altered the composition of the Committee as laid down by the Assembly last year. All mention of selections being made with reference, *inter alia*, to geographical considerations—a criterion which India strongly pressed last year and which the Assembly approved—had now disappeared from the Council's proposal for the constitution of the Technical Committee; and the latter now included 14 members, whereas the Assembly, in the interests of economy, had resolved to limit the Committee to 12.

Sir W. Meyer said that he did not consider the action of the Council to be in accord with the Assembly's policy, and that the Assembly ought not to submit to its being thus set aside. He recognised, in answer to representations made by the President of the Paris *Office International* (M. Velghe), who was present and was invited to address the Committee, and others, that the matter was urgent, having regard to the present position in respect of epidemic disease, but that did not justify the Committee in practically advising the Assembly to abrogate its functions. He suggested, therefore, the addition of a

rider to the draft resolution to the effect that, in view of the urgency of the situation in respect of international health, the Assembly accepted the constitution of the Technical Committee proposed by the Council, but that it did so without prejudice to its full right of control over the constitution of Standing Committees. With some modification of wording this proposal was carried as also an amendment by Sir Rennell Rodd in respect of amplification of the original resolution.

The representative of Denmark (Mlle. Forchhammer) pleaded that an International Committee should include at least one woman member, and this, though opposed by the President, found favour with the Committee generally.

Finally, a Sub-Committee was appointed, consisting of M. Rivas Vicuna, Sir Rennell Rodd, M. La Fontaine and Sir W. Meyer, to come to a general agreement in regard to the precise drafting to be put before the Committee at its next meeting.

58. There was also some discussion as to the danger of overlapping as between the Paris International Body and the League's Committee, and Sir W. Meyer asked whether it might not be preferable to work through the former and to give them a subvention. The latter proposal did not, however, find favour, and as regards the former it was agreed that, in view of the urgency of the situation, matters had better stand as proposed till next year.

Action by the Assembly.

59. At the Assembly meeting on the 8th October M. Rivas Vicuna (Chile) submitted, with an explanatory report, the resolution as finally drafted by the Sub-Committee and approved by the full Committee. It was carried unanimously, with a reservation by the Portuguese Delegation, under instructions from its Government, as to the future settlement of difficulties which it considered might arise by reason of the separate functions of the International Health Office in Paris and the League Organisation. The resolution in the form adopted by the Assembly is printed in Appendix II. (Resolution No. 37.)

The Organisation of International Statistics.

60. This item had been placed on the Agenda at the request of the Netherlands Government. M. Ferraris (Italy), as *rapporteur*, submitted a lengthy *exposé*, and the Committee voted a resolution, which had been tabled by the representatives of Great Britain, France, Italy and Switzerland. The principal recommendations contained in this resolution were those that commended to the Technical Organisations of the League the conclusions of the Economic and Financial Committee for the purpose of avoiding overlapping, and decided that statistics in the scientific sense will not be undertaken by the League so long as the question of the organisation of international statistics has not been decided, and that this question is entirely deferred until the next session.

Sir W. Meyer had previously been consulted about the resolution, and said that it would quite meet the objections of the Government of India, as set forth in Mr. Innes' letter of 4th August last to the Under Secretary of State, in which that Government took exception to the proposals suggested by both the majority and minority reports of the International Statistical Commission of 1920.

Action by the Assembly.

The resolution was adopted by the Assembly without discussion on the 27th September. (Appendix II, Resolution No. 12.)

Work of Committee No. III (Armaments, Economic Weapon).

Armaments.

61. The Committee first of all discussed matters arising out of the Report of the Temporary Mixed Commission (including Civilian representatives as well as Military, Naval and Air experts) on the Reduction of Armaments.

The report began with a short statement on the present political situation of the world, and the difficulties which had to be encountered. In the present position of the world, it would be idle to hope for simultaneous disarmament.

The report then alluded to the Washington Conference, and to the precarious financial condition of the world, a condition which necessitated a reduction of armaments.

The Commission had divided itself into three Sub-Committees; the first had considered the questions of private manufacture, and the arms traffic; the second had examined the right of investigation and mutual control; the third had undertaken a statistical enquiry.

The report of the third Sub-Committee emphasised the necessity for a statistical enquiry to show the extent of military and naval expenditure in the various countries, and the diminution or increase of armaments. The Sub-Committee had been unable to put forward any definite scheme of statistics; it had merely outlined the guiding principles of such an enquiry, and had prepared a draft of a *questionnaire* which was doubtless far from perfect, but calculated nevertheless to furnish very valuable information.

As regards the private manufacture of arms, the first Sub-Committee had not come to any definite conclusion, but it had nevertheless clearly shown the desirability of conducting an exhaustive enquiry, with a view to the preparation of a code of rules regulating private manufacture, which, when drawn up, could be submitted to the various Governments. This code should be adopted by all nations whether they belong to the League of Nations or not, for, supposing that any country—the United States, for instance—did not conform to it, any attempt at control would be useless.

The report then dealt with the arms traffic question in the light of the Convention of St. Germain, which was signed by the United States.

62. In Committee III, M. Schanzer (Italy) moved a resolution approving the statistical enquiry into armaments. This was amended, and re-drafted by Lord Robert Cecil at the request of the Committee, which then proceeded to deal with the question of the private manufacture of arms. With reference to the proposal of the Temporary Mixed Commission that an International Conference should be held on this subject, Lord Robert Cecil, supported by the delegates of the Netherlands, Norway and Siam, suggested that the Conference should be held in June next. This was, however, rejected by 10 votes to 7, and the proposal of the Temporary Commission, amended by M. Schanzer, was carried in the following form :—

"The Assembly requests the Council to invite all the Members of the League, and interested States which are not Members of the League, to take part in an International Conference on the private manufacture of arms and on the traffic in arms, which should meet as early as possible, at a date to be fixed under the responsibility of the Council. It is considered highly desirable that this date should be prior to the next session of the Assemby. The Temporary Mixed Commission should be entrusted with the task of preparing the programme of the Conference and of submitting to it a draft convention."

The Committee then adopted three draft resolutions proposed by Mr. Fisher, urging upon the Governments early signature and ratification of the Arms Traffic Convention, and inviting the Council to prepare a draft protocol making provision for excluding the import of arms and ammunition in time of peace from countries in which the traffic is uncontrolled.

Lord Robert Cecil proposed a motion in regard to the destruction of surplus stocks of munitions. Mr. Fisher pointed out that the adoption of such a proposal would depend on the ratification of the Convention of St. Germain. It was decided that Lord Robert Cecil and Mr. Fisher should jointly draft a motion with reference to this matter.

63. Eight resolutions proposed by Lord Robert Cecil regarding armaments were then considered. The first, expressing a desire that the Temporary Commission should continue its work, was adopted without discussion.

The second requested the Commission to propose a scheme for the limitation of armaments, to be presented to the next Assembly in the form of a draft treaty, which should be published by the end of June 1922. Much discussion took place on this resolution, exception being taken to its terms

chiefly on the grounds that under the Covenant the duty of formulating plans for national limitations was placed upon the Council, and that the task it was proposed to lay upon the Temporary Commission was too heavy. Finally the principle was accepted, but the word "Council" was substituted for "Assembly," and a rider by M. Schanzer was added requesting the Council to reinforce the composition of the Temporary Mixed Commission.

The third resolution proposed to forward once more to all Members of the League the recommendation of the First Assembly that States should not "exceed for the next two financial years following the present year the sum total of expenditure on military, naval and air forces provided for in the budget of that year". This was accepted with the proviso that it should again take the form of a recommendation and not of a resolution.

The fourth resolution, which proposed that all rights of investigation conferred upon the Council by Article 213 of the Treaty of Versailles should be made applicable to Members of the League as soon as a scheme for the reduction of armaments had been accepted, was opposed by M. Reynald (France) and Mr. Fisher. Lord Robert Cecil thereupon withdrew it.

The fifth extended a welcome to the Washington Conference, and was adopted with slight amendments.

The sixth made an appeal to men of science to publish their discoveries in poison gas and similar matters, as this would militate against the use of such discoveries in war. Mr. Fisher pointed out the futility of such a resolution, and as finally amended and passed it referred the advisability of making such an appeal to the consideration of the Temporary Mixed Commission and the Permanent Advisory Commission.

The seventh and eighth resolutions, urging the desirability of propaganda in favour of the reduction of armaments and the necessity of strengthening the Secretariat organisation, were carried with slight amendments.

Action by the Assembly.

64. The report of the Committee is printed as Appendix III, Annex 2, and contains in its last portion a striking description of the general position in respect to armaments and the possibilities of future advance in the way of reduction. It was presented to the Assembly by Lord Robert Cecil on the 1st October, and led to a lengthy debate. Lord Robert Cecil initiated this, and gave a full explanation of the genesis and scope of the recommendations submitted.

Mr. Bruce (Australia) laid stress on the anxiety of his country with its 12,000 miles of seaboard, to have the armaments peril dissipated, and Mr. Branting (Sweden) supported the general thesis of the Committee, as also M. Schanzer (Italy). M. Noblemaire (France) made a very fine speech, stating that his Delegation adhered without reserve to the proposals before the Assembly. France remained pacific, and it was not her fault if the League had not been given adequate means to ensure peace. She was willing to go as far as possible to realise a plan for the limitation of armaments, but there must be two necessary conditions—the completion of the disarmament of certain nations in conformity with the treaties and the organisation of a right of investigation. France was industrious and peaceful. Why should there not be a place for a peaceful and free Germany? France desired the reparations due to her under the treaties of peace and under the Covenant. She must have securities for the future, and she had already accomplished what might be called moral disarmament, but this had not been the case as yet with Germany. Her motto was, "*Si vis pacem, para pacem.*"

Mr. Fisher (Great Britain) congratulated M. Noblemaire on his speech, and agreed with a remark by M. Branting (Sweden) that regional understandings would do much towards the establishment of a lasting peace.

The resolutions put forward by the Committee were finally embodied in a resolution proposed by M. Schanzer (Italy) which was passed unanimously. (Appendix II, Resolution No. 19.)

ECONOMIC BLOCKADE.

65. A report had been submitted on this subject by a Special Committee appointed by the Council. This body indicated the difficulties in the application of Article 16 of the Covenant, *e.g.*, that great exporting countries are still outside the League; that the cutting off of food supplies of the civil population of a defaulting State is an extremely drastic measure, which ought only to be applied in the last resort; and that it is difficult for an independent State to accept without question, the opinion of the Council, or of a majority of the Members of the League, as to a violation of the Covenant having taken place. On the other hand, it was necessary for all States alike to apply punitive measures.

66. The proposals of the Special Committee gave rise to a good deal of discussion on various suggested amendments, and it was decided to ask M. Schanzer (Italy), with the assistance of Lord Robert Cecil, to draft a report on the matter.

67. The report finally evolved is printed as Appendix III (Annex 3), and will repay perusal. The main resolution was that which proposed that Article 16 of the Covenant should be re-drafted as follows :—

Article 16.

(1) Should any Member of the League resort to war in disregard of its Covenants under Articles 12, 13 or 15, it shall *ipso facto* be deemed to have committed an act of war against all other Members of the League, which hereby undertake immediately to subject it to the severance of all trade or financial relations, the prohibition of all intercourse between persons residing in their territory and persons residing in the territory of the Covenant-breaking State, and the prevention of all financial, commercial or personal intercourse between persons residing in the territory of the Covenant-breaking State and persons residing in the territory of any other State, whether a Member of the League or not.

(2) Nevertheless, the Council may in the case of particular Members postpone the coming into force of any of these measures for a specified period where it is satisfied that such postponement will facilitate the attainment of the object of the measures referred to in the preceding paragraph, or that it is necessary in order to minimise the loss and inconvenience which will be caused to such Members.

(3) It shall be the duty of the Council to recommend to the several Governments concerned what effective military, naval or air force the Members of the League shall severally contribute to the armed forces to be used to protect the Covenants of the League.

(4) The Members of the League agree further, that they will mutually support one another in the financial and economic measures which are taken under this Article, in order to minimise the loss and inconvenience resulting from the above measures, and that they will mutually support one another in resisting any special measures aimed at one of their number by the Covenant-breaking State, and that they will take the necessary steps to afford passage through their territory to the forces of any of the Members of the League which are co-operating to protect the Covenants of the League.

(5) The Council has to give an opinion as to whether a breach of the Covenant has taken place or not. When the Council gives such an opinion, the votes of the State charged with having committed a breach of the Covenant and of the State bringing the charge, no matter whether these States are Members of the Council by virtue of Article 4, paragraph 1 of the Covenant, or have been specially summoned, shall not be reckoned in determining whether or not there has been a unanimous decision.

(6) Any Member of the League which has violated any Covenant of the League may be declared to be no longer a Member of the League by a vote of the Council, concurred in by the representatives of all the other Members of the League represented thereon.

Clauses (1), (3), (4) and (6) correspond to those of the existing article, save that in clause (1) for the word "nationals" has been substituted "persons residing in the territory of a Covenant-breaking State" or other States.

Clause (2) is new, and provides for delay in carrying out the measures requisite on the part of States which are specially circumstanced, *e.g.*, small States which abut on a large Covenant-breaking Power and might be subject to hostile action on its part.

Clause (5) indicates that when the Council has to take a decision, the votes of States which are charged with having committed a breach of the Covenant and of their accusers shall not be reckoned.

There were also various subsidiary and explanatory resolutions.

The second of these, apart from the amendment to Article 16, which was separately tabled, dealt with questions of procedure, and emphasised the point taken last year that each State must in the last resort decide for itself whether there has been a breach of the Covenant sufficient to justify its taking part in effective measures. If, however, it decides that there has been such a breach, it is bound to take adequate action.

The third, apart again from amendment of Article 16, related, *inter alia*, to the date at which effective measures should be undertaken, and provided that that date shall be fixed by the Council. It interpreted the word "immediately" in the first clause of Article 16 as meaning really "action as soon as possible."

The fourth explained the measures to be adopted prior to and during the actual economic blockade.

68. The report of the Committee occupied the greater part of two sittings of the Assembly on the 26th September.

Action by the Assembly.

It was decided that, as regards the substantive amendments to Article 16 of the Covenant proposed by the Committee (to which M. Reynald, of France, took exception in respect of the substitution in the first paragraph of "persons residing in their territory" for "nationals,") specific amendments to the Article should be held over pending their consideration, from a drafting point of view, by Committee No. I.

69. At a subsequent meeting the Assembly had before it the conclusions of Committee No. I, regarding the substantive resolutions amending Article 16 of the Covenant.

A supplementary resolution had been put in to the effect that the main resolutions on the subject of the economic blockade should only be regarded as provisional rules for guidance until the amendment of Article 16 has been definitely carried out as provided by Article 26 of the Covenant.

The Assembly finally passed, with drafting modifications suggested by Committee I, the resolutions involving amendments to the Covenant, with no dissentient votes, though there were some abstentions and absentees. The resolutions of the Assembly on the whole subject of economic blockade, including the subsidiary resolutions, will be found in Appendix II, Resolution No. 22.

Work of Committee No. IV (Finance and Organisation).

Organisation of the Secretariat and of the International Labour Office.

70. At the meeting of the 8th September the early paragraphs of the Report of the Special Committee on Organization, appointed on the recommendation of last year's Assembly, were taken up. Copies of this report were sent by Sir W. Meyer to the India Office and to India, and it need not be reproduced here. M. Noblemaire (France), who was Chairman of that Committee, was the French representative on Committee IV, and Colonel Johnson, of the British Treasury, who had been M. Noblemaire's principal coadjutor and had drafted the Special Committee's report, also attended.

Committee IV started by dealing with a suggestion by the Noblemaire Committee that considerable economy might be affected if the seat of the League

were moved to some less expensive place than Geneva. The Swiss representative (M. Usteri) naturally took exception to this, and maintained that Geneva was not more expensive than sundry other places. Some delegates observed that the seat of the League must be determined by political as well as financial considerations; that if there was any question of moving it, it was for the Council to take action, and the Council were now in possession of the remarks of M. Noblemaire's Committee. Finally it was decided, on a proposal by Sir Rennell Rodd (Great Britain), that as the question of the seat of the League was not governed exclusively by financial considerations, the Committee, while taking note of the opinion expressed by the Committee of Experts regarding the cost of living in Geneva, left the question to be decided elsewhere.

71. The Noblemaire Committee had drawn attention to the large amount of postal and telegraph charges, and pointed out that these were swollen by the high rates prevailing in Switzerland. They suggested that the Swiss Government should be approached in order, if possible, to obtain a reduction in postal and telegraph rates, but Colonel Johnson had to admit that the suggestion they made of a specially reduced rate for League correspondence would throw a heavy burden on to Switzerland, as she would have to pay the same amount she does now to the countries over which such correspondence is carried.

As regards telegrams, it had been suggested that these might be charged for at the reduced rates given to diplomatic messages. The Swiss representative on the Committee (M. Usteri) said that Switzerland would be ready to examine this suggestion sympathetically, and it was decided that the Secretary-General should make the necessary overtures.

72. In respect of paragraph 18 of the Report, which deals with salaries, Sir William Meyer pointed out that, if the Committee were to accept a resolution regarding the composition of the Secretariat, which he proposed to bring forward on a later occasion, it would no longer be necessary to base the rates of salaries of the Secretariat upon those of the British Civil Service, as the number of British civil officials employed in the Secretariat would eventually be so considerably diminished that it would be possible, in their cases, to give a special personal allowance, while the pay of the staff as a whole could be based on the more economical scale which applies on the Continent. This suggestion did not find favour. It was, however, admitted that the rates of salary laid down in Appendix II to the report must be reduced with reference to the recent reduction in the emoluments of the British Civil Service, and a revised scale embodying 75 per cent. of the reduction effected in England was agreed to. It was explained that the variable proportion of salaries was intended to meet the cost of living, *plus* expatriation allowance, and that this would not be affected.

Sir William Meyer asked Colonel Johnson whether his Committee had considered not merely the competence of the higher officers to perform their work, but whether, in some cases, this work could not be as satisfactorily done by lower paid employés. Colonel Johnson replied that he was satisfied that there was no waste of power and money in that respect; this assurance had to be accepted for the present.

73. Some discussion took place on the proposal, in paragraph 24 of the Report, that a Salaries Adjustment Committee to be set up should contain three representatives of the staff of the Secretariat and three of the International Labour Office. A Canadian proposal that business would be expedited by cutting these representatives to two in each case was eventually withdrawn. The down Report proposed that the States of the League should be represented on the Salaries Adjustment Committee by arbitrators not members of the staff, whose decision would be final in any question of disagreement, so that the staff representatives are rather assessors than complete members. Moreover, any recommendation made by the Committee would be submitted to the Council, or, in the case of the International Labour Office, to the Governing Body, for their approval. M. van Eysinga (Netherlands) asked who would decide in the case of disagreement between the arbitrators, to which M. Noblemaire (France) replied that the decision would rest with the Council or the Governing Body of the Labour Office, as the case might be. Sir W. Meyer suggested that

three arbitrators should be appointed instead of two, to facilitate settlement of differences, but this was not accepted. He also criticised the proposal to make a reference to the Governing Body of the Labour Office final, and pointed out that it had been definitely settled last year that that body was subordinate to the Council and to the Assembly. Sir James Allen supported him on this point, and suggested that, in regard to the Labour Office, the report of the arbitrators should be submitted *through* the Governing Body to the Council, otherwise, apart from the general question of prerogative, there might be divergent decisions *qua* the Secretariat and the Labour Office. After some discussion, M. Adatci (Japan) proposed the following resolution :—

"The Committee, being desirous of confining itself to practical questions, has decided not to enter on a discussion of the relations between the International Labour Office and the Council of the League of Nations."

After a harangue by M. Albert Thomas (Director of the Labour Office) on the functions and prerogatives of the Labour Organisation, M. Adatci's proposal was carried, with the following rider, by the delegate of Brazil:—

"This conclusion must conform to the general provisions of the Budget adopted by the Assembly."

74. Paragraph 30 of the Report dealing with expatriation allowance was then considered, and approved. Sir William Meyer pointed out that this allowance appeared to be 50 per cent. on salary, in many cases, after allowing for the increased cost of living in Geneva, and compared this with the far smaller Indian overseas allowance. He also asked how the total calculation was made up: whether, for instance, a British salary of 200*l.* a year became 200*l.* *plus* 20 per cent. (40*l.*) for the cost of living, *plus* 50 per cent. of 240*l.*=360*l.* The reply was that 200*l.* becomes 300*l.* *plus* 20 per cent. of 200*l.*=340*l.* With reference to the proposal in paragraph 31 of the Report that Governments should be asked to exempt their nationals employed in the Secretariat from income tax, Sir William Meyer pointed out that if this were done the salaries annually paid would be in fact considerably more than the salaries paid in the British Civil Service, as a British civil servant was heavily mulcted in income tax. The question of agreeing to the proposals in the Report was then put to the vote, and carried.

75. On the subject of paragraph 35, regarding the desirability of fixed scales of subsistence allowances for experts and others who compose the advisory and technical bodies, Sir Herbert Ames (the Financial Director of the Secretariat) stated that, in fact, the subsistence allowances paid to those visiting Geneva to assist in the work of the League varied from 70 to 125 gold francs. He said that the Secretariat was of opinion that a fixed rate of 70 gold francs (corresponding roughly to 80 Swiss francs) was desirable, but it was a matter which could only be settled by the Assembly, as these varying rates had been approved by the Council when they had set up the different Commissions. It was eventually decided to adopt a resolution to the effect that a fixed rate of 70 gold francs should be definitely laid down, except in cases where any especially eminent persons were invited to preside over Conferences, in which case the Council would be empowered to make special arrangements.

76. On the 19th September the Committee proceeded with the consideration of paragraphs 36—39 of the Expert Committee's Report, in which it was recommended that the sumptuary allowances of certain high officials of the Secretariat, *viz.*, the Secretary-General, the Deputy Secretary-General, and the Under Secretaries, should be reduced, and that the Secretary-General should, for the present, receive a special allowance of 1,000*l.* a year in lieu of the free house to which he is entitled under the terms of his engagement.

As regards the sumptuary allowances, the high officials in question can retain the whole of their existing allowances for the present under their contracts, and it is much to their credit to have consented to give up a portion.

As against such surrender, it was proposed that there should be a general Entertainment Fund or "pool," to be administered by an officer of the Secretariat specially appointed for this purpose, and to provide funds for entertainments outside the scope of the reduced sumptuary allowances. Having

ascertained that the officer to administer the "pool" would be drawn from the existing staff and not represent a fresh appointment, Sir William Meyer carried an amendment laying down that the total amount to be credited to the "pool," should not exceed the total of the sums surrendered by individual officers, otherwise the "pool" might lead to increased expenditure.

Sir Rennell Rodd (Great Britain) proposed that the officer administering the "pool" should also be entrusted by Members of the League with the task of making arrangements regarding accommodation of their representatives and officials visiting Geneva, and pointed out that this ought to lead to material economy, since at present individual representatives or delegations were at the mercy of Swiss hotel-keepers. This, also, was carried.

77. Discussion then took place on a resolution tabled by Sir William Meyer, in regard to the enormous preponderance in the Secretariat and the Labour Office of representatives of Great Britain, France, and Switzerland, and the inadequate, or absolute lack of, representation of the various other countries, India, for example, having only one clerk in the Secretariat and no representation at all in the Labour Office. The text of this resolution, which was based on tables compiled from information furnished by the Secretariat itself, is printed in Appendix IV (Annex 2).

It was not expected that the resolution would be carried as put forward, since it prescribed maximum percentages for each country, but it was very desirable to ventilate the question as a means of putting pressure on the Secretariat and the Labour Office. The resolution called forth speeches from Sir Eric Drummond and M. Albert Thomas, the head of the Labour Office, who had attended, in which they held that it was impossible to have a rigid application of the principle of national representation, that it was inevitable that, as English and French were the official languages, those two countries should have a specially large representation, and that the Swiss representation was in the interests of economy, being largely applied to minor posts, which it would cost more to fill up from abroad.

After some discussion Sir George Perley proposed the following as a substitute for Sir William Meyer's resolution :—

"That it is extremely desirable, especially in the higher administrative positions, that the Secretariat of the League and of the International Labour Office should, as far as possible, be recruited in fair proportions from the various States Members of the League, and that this principle should be carefully borne in mind in filling future vacancies, always having regard to the requirements of efficiency."

This resolution was accepted by Sir William Meyer, and carried unanimously.

It may be mentioned that M. Thomas has already acted on it by asking Sir Louis Kershaw to advise in the selection of an Indian for a fairly important post in the Labour Office.

78. With reference to the proposal in paragraph 46 (*a*) of the Report, that the higher officials—those of the rank of Directors and upwards—should not hold office for more than seven years, some discussion arose as to whether extension of service might not be granted to such officers, if they were specially valuable.

It was decided that when an officer's time had elapsed his engagement should be taken as definitely terminated, but that, for special reasons, he might obtain a fresh engagement.

79. With reference to paragraphs 48—52 of the Report, it was agreed that the normal period of service should be 28 years for the subordinate staff and 21 years for the intermediate staff, *i.e.*, those below the high officials already mentioned. It was decided, however, that an officer of this intermediate class, or upper division as it may be called, might normally continue up to 55 years of age, if that would be necessary to complete his 21 years' service.

80. Discussion then took place on the deferred pay scheme set forth in Appendix IV to the Report, the gist of which is that employés should contribute

a proportion of their salaries, say 10 per cent., to what may be called a Provident Fund; that this fund should be swelled by equal contributions from the purse of the League; and that on retirement an officer would normally get the amount of his contributions *plus* the League's addenda with compound interest on the same.

It was generally accepted that such a scheme was desirable, but various points were raised as to its specific application, *e.g.*, as to whether a uniform 10 per cent. contribution was a fair one, and whether it would not be preferable to have higher contributions from the higher officials and lower from others. Finally, it was decided to accept the principle of the scheme, but to refer the working out of specific proposals to the Salaries Adjustment Committee referred to in paragraph 73, with instructions to report in time for the matter to be finally decided next year.

M. Reveillaud (France) and Mr. Bruce (Australia) pointed out the desirability of having the funds for this deferred pay scheme separately banked, and the Australian delegate made the further suggestion that it would probably be more economical to make terms for eventual payments to the staff with some big insurance office, especially in the case contemplated by the Noblemaire Committee of the amount standing to an officer's credit, if large, being converted into an annuity. These points will also be considered by the Salaries Adjustment Committee.

81. With reference to paragraph 42 of the report, exception was taken to the underlying idea that recruitment for the League staff should ordinarily be by competitive examination, special selection by the Secretary-General to obtain adequate representation of Member States in the League offices being put in quite a subsidiary place.

Sir William Meyer and other delegates pointed out that this was not in accord with the resolution recently adopted (*vide* paragraph 77 *supra*), since a competitive examination, in regard to which centres would necessarily be in Europe, would handicap distant countries very much.

Sir Eric Drummond explained that all he contemplated was the maintenance of the existing system of competition in regard to posts which it would be advantageous to fill up locally, *e.g.*, translators and stenographers. He would be constantly guided hereafter by the resolution above referred to. Finally, it was agreed to accept a proposal by M. Noblemaire that, instead of "competitive recruitment or selection" at the close of the first sub-paragraph of paragraph 42, the Committee should adopt "a system of recruitment based on the principles contained in paragraphs 42—54."

82. As regards paragraphs 57—60, the Committee accepted the idea (put forward in its essence by the Indian Delegation last year, but then rejected) of a Special Committee of Financial Control, which would afford outside criticism analogous to that which in nearly all countries vests in the Ministry of Finance, and sometimes also in a Parliamentary body. It was decided that the members of this Special Committee should be five in number (a subsequent decision reduced this to three), and adequately representative of States of the League other than those permanently represented on the Council.

The Committee, however, rejected the proposal in paragraph 60 of the Noblemaire Report that to this Committee should be attached a special financial expert, to act as its *rapporteur*, who would also be responsible for the audit control. It was held that there was no occasion to add a highly paid officer, who would hold office for five years, to the establishment of the League, since the members of the Committee of Control would certainly include men of adequate financial experience, and that the audit arrangements could be carried out otherwise. The existing "appropriation officer" was to be continued and to obey any instructions which might be issued to him by the Committee of Control.

83. Considerable discussion arose as to the character of the audit, and whether it would not suffice to have, as at present, an appropriation officer. It was argued with force that, although the proposal to have a special financial

expert had been rejected, it was still necessary to have an outside auditor. This proposal was rejected by 12 votes to 11, the British Empire Delegations voting in the minority.

As regards paragraph 65, the proposal for altering the financial year to a period commencing with 1st October was rejected, there being only two votes in its favour.

84. There was considerable discussion over the "working capital fund." This title is really a misnomer. The fund is not meant to provide for capital expenditure; it is just a provision to meet the contingency that, owing to subscriptions coming in slowly and certain States not paying their dues, the League should have a reserve fund from which to provide for outlay pending the getting in of revenue. It would be better described as a working balance. The old title was, however, retained, and discussion centred round the point whether the International Labour Office should have a separate working capital account. M. Thomas emphasised the necessity for meeting authorised expenditure of the Labour Office and its independence of the Secretariat, but stated that, on behalf of the Governing Body of the Office, he would be quite satisfied with a general working capital fund, provided it was understood that the Labour Office should be entitled to its due share, and this was carried.

85. As regards the question of the number of Directors of Sections in the Secretariat, the position is that the present sanctioned number is nine, and the Committee proposed to reduce this to six, but with a special officer for the Legal branch, who would practically be a Director, so that the real number is seven. The Financial Director, it may be observed, would, under this scheme, eventually be replaced by a *Chef de Service*, working directly under the Under Secretary. The number of Under Secretaries was to be reduced from two to one, and a vacancy having occurred by the selection of one of these—M. Anzilotti (Italy)—as a Judge of the Hague International Tribunal, it was possible to carry this into immediate effect.

In the course of the discussion, Sir Eric Drummond, supported by Colonel Johnson, said that while he was willing to consider eventually the proposal that there should be one general Director for work in connection with (*a*) Administrative Commissions, etc., and (*b*) Mandates, he did not think that this suggestion could be confidently accepted at present It was decided that it would be open to the Secretary-General, if he considered that he had full justification for two separate Directors, to place the matter before the Council and the Assembly. In any case, a reduction in the number of Directors will only take place as vacancies occur in the existing staff, and Sir Eric laid stress on the impossibility, at present, of shedding the Financial Director.

The proposals of the Noblemaire Committee in respect of the Directors were, therefore, to some extent illusory, and Sir William Meyer pointed out, with reference to paragraph 82 of their report, that a reduction in the number of Directors might be more than compensated for by a considerable increase in the number of *Chefs de Service*. Sir Eric Drummond replied, however, that he had no present intention of increasing the staff of *Chefs*.

At a later stage, too, it was decided, in view of the representation of the Secretary-General, that the Under Secretaryship hitherto held by M. Anzilotti should not be immediately reduced, but should be continued for three years on a different footing. The Director of the Armaments Section, whose work, it was represented, had much increased, was to become an Under Secretary but without any sumptuary allowance, and his Directorship was to be left vacant.

86. In respect of paragraph 93, which proposed to set up a bureau in Latin America, there was considerable opposition, it being pointed out that it was not a proposal for economy but for additional expenditure, and would be bound to form a precedent. Sir George Perley (Canada) suggested postponement of the question for another year, and was supported by the British Empire Delegates with the exception of Sir Rennell Rodd. The suggestion was, however, rejected by a small majority, and paragraph 93 was thereupon passed.

In the course of the discussion it transpired that the Council had already sent out two members of the Secretariat to investigate, and that their report would be awaited, but in the meanwhile provision was made in the budget.

International Labour Office.

87. With reference to paragraph 128 of the Report, there was considerable discussion on the proposal that the four members of the Governing Body of the International Labour Office who were to confer with the Committee of Control regarding the budgets and accounts of that office, should also be able to appear in the Assembly. It was finally decided that only one representative of the Office, who might, at discretion, be one of the Governing Body or the Director, should be entitled to speak in the Assembly when the budget was discussed there, and then only, as in the case of the Secretary-General, if specially invited to do so by the President.

88. Paragraph 131 commented on the proposal of the Labour Office to purchase their present building in Geneva. The Labour Office had submitted a memorandum justifying this proposal on the ground that it would be really economical and that, although the building presents certain defects as regards distance from the centre of the city, etc., it was better to endure these than to embark on large expenditure.

M. Thomas was very emphatic on this point, while some of the members of the Committee considered it premature to start permanent acquisition, having regard to the possibility (*a*) of moving the seat of the League, and (*b*) of acquiring some more suitable building. Finally, having regard to the fact that the matter was urgent, seeing that the present lease terminated in 1923, it was decided to appoint a special Sub-Committee of three members to consider this question further.

This Sub-Committee subsequently reported that the Labour Office ought not to acquire any permanent building until it had been decided definitely whether the seat of the League should remain at Geneva or be moved elsewhere, and it was hoped that a definite decision on this subject might be taken next year When such a decision was arrived at, the Labour Office should have permanent quarters at the seat of the League wherever it might be, but in the meantime they should continue occupation of their present building as tenants, incurring some small necessary expenditure on improving the accommodation. The Sub-Committee's view was endorsed by the full Committee.

89. With reference to Appendix II of the Noblemaire Report dealing with rates of salaries, the question was again raised of having an intermediate scale of pay between the members of sections and senior clerical assistants, etc. This had been ruled out in the discussion in connection with the Secretariat on the ground that to give higher pay than had been proposed to senior clerical assistants would encourage the advancement of mediocre persons. The line now taken, however, was that it was desirable to provide for the case in which a member of section might be doing work which could be as well done by a senior clerical assistant, so that the proposal was one for economy. With regard to this point of view, the proposal for an intermediate grade in the Labour Office was referred to the Salaries Adjustment Committee; as also the possibility of having for the Office a lower pay for copying-typists.

Action by the Assembly.

90. On the 1st October the Assembly dealt with the report submitted by M. Noblemaire (France) on behalf of the Committee.

M. Noblemaire supplemented the report itself by a very lucid speech.

M. Noblemaire had not proposed any resolution, so Sir W. Meyer moved that occasion should be taken to pay a tribute to the labours of M. Noblemaire and his expert Committee, indicating that, though he had in Committee IV criticised some of their conclusions as not going far enough, he recognised that on the whole they marked a very considerable advance. This resolution was carried unanimously.

The report submitted by M. Noblemaire is printed in Appendix III (Annex 4) and Sir William Meyer's resolution in Appendix II (Resolution No. 18). Sir W. Meyer's speech in the Assembly will be found in Appendix IV (Annex 2).

Allocation of the Expenses of the League.

91. It was decided that, after the general question arising out of revision of allocation of the League's expenses among the constituent States proposed by the Special Technical Committee had been discussed, Sir Rennell Rodd should act as *rapporteur*. He was also to be associated with three other members, M. Adatci (Japan), M. Fernandes (Brazil) and M. Trygger (Sweden), who were to meet the special Sub-Committee suggested in Committee I (paragraph 19 *supra*) for discussion of the amendments to the Covenant which might be necessitated by future procedure in regard to allocations and budget. It may be noted that MM. Noblemaire and Bruce, who represented No. I Committee, were also members of Committee IV.

92. The question of allocation was dealt with in paragraphs 106-7 and 112 of last year's Report of the Indian Delegation. Briefly, the position then arrived at was that there was general dissatisfaction with Article 6 of the Covenant, which bases the allocation on the entirely different circumstances of the Postal Union Scheme, and it was sought to obtain a scheme of allocation, which would suit both the Union and the League, and would therefore not necessitate a modification of Article 6, by the appointment of a small special Committee.

That Committee consisted of the following members:—M. Reveillaud (France), Chairman; Sir Henry Strakosch (South Africa); M. Barboza Carneiro (Brazil); M. Alfred George (Switzerland); M. Gluckstadt (Denmark). M. Sthyr, and subsequently M. de Kaufmann, acted as substitute for M. Gluckstadt.

They came to the conclusion that it was impossible to make out a scheme, which would be equitable both as regards the Postal Union and the League, and that the latter, therefore, must proceed independently. They had to work rapidly, and almost split on two divergent schemes, but finally agreed on the adoption of one, which will be referred to in this Report as the definite scheme, while at the same time putting forward the other as a possible temporary solution.

93. As regards India, while the temporary scheme puts us very much as we were under the present one, the definite scheme raises our percentage of subscription from 4·9 to 6·6.

India is placed in Class II under this last scheme, whereas in the existing scheme she is in Class I, but the prejudicial result to her is attained by the fact that the number of units chargeable for Class II is no less than 65 (in Class I, 90), the total number of units being 982, whereas under the existing scheme Class I States pay 25 units out of a total of 510. Under the temporary scheme the same division into classes was adopted as in the definite scheme, but the units taken were those of the various classes under the existing scheme.

At a conference at the India Office before the delegation left for Geneva, it was decided that India should oppose the definite scheme as being an unfair one, unless it underwent material amendment, and that the temporary scheme would be preferable.

Sir William Meyer brought the matter before two meetings of the British Delegations, expounding India's objections to the definite scheme, but got little sympathy from the Dominions Delegates, since they pay less—some of them materially less—under that scheme than under the temporary one.

94. In anticipation of the subject coming before the Committee, Sir William Meyer tabled two resolutions, accompanied by a memorandum setting forth the principal points in which the definite scheme was regarded as defective, which are printed in Appendix IV (Annex 3), and supported them at an early stage of the general discussion by a speech strongly attacking that scheme.

It may be noted here that the Allocation Committee used the term "net revenue" in a very peculiar sense—it does not mean that the expenses in connection with the collection of various heads of revenue are deducted from

the gross receipts, but that the gross figure is taken except in the case of commercial or quasi-commercial enterprises, such as posts and railways, in which case the net profit only is assessed.

The matter on which Sir William Meyer laid most stress was that the Committee's scheme, through no fault of its own as it had to work very hurriedly and on inadequate data, was an absolutely unscientific one. It professed to base itself on "capacity to pay," but as interpreted by revenue figures of a single year, 1913, which were now of very ancient date. It had not taken into account various essential factors; and in particular, though rendering lip-service to the all-important consideration that the assessment of a State must be based not merely on its relative revenue resources, but with regard to the general benefits it derived from the League, these considerations had been very little attended to in practice, with the result that a number of small States were let off with most inadequate subscriptions, amounting in some cases to only about ½*d.* in the pound. What India wanted was a really scientific scheme, and that could not be attained at present. The Reveillaud Committee had admitted that their so-called definite scheme ought only to have effect till 1924, but India preferred the temporary scheme, not merely because it taxed her less, but because, like the Postal Union assessment, it professed quite frankly to be an arbitrary allocation, whereas the definite scheme, which was arbitrary also, masqueraded under a pseudo-scientific character.

M. Reveillaud in his reply had to admit the justice of some, at any rate, of the criticisms. He urged, however, that the definite scheme was only provisional, and might be adopted as such, but if the Committee pleased they could work on the temporary scheme, though his Committee did not think it so good. This was very loyal of M. Reveillaud, since it is an open secret that he was strongly in favour of the temporary scheme, and only gave way at the end to obtain unanimity.

95. There was a long and dreary discussion, and practically every delegate who spoke supported or opposed the definite scheme according as his country would or would not be more lightly assessed under it than under the temporary scheme, or, it might be, the present method.

Sir Rennell Rodd supported the temporary scheme as a better means of obtaining general agreement, but he tried to justify the exclusion of colonies in making up the quotas of Great Britain and other colonial Powers on the ground that they were generally a source of expense. Sir William Meyer pointed out that this was not so, at any rate in regard to colonies such as the Straits Settlements and Ceylon, and that the criteria the Committee had adopted were revenue and population and not expenditure. On Sir Rennell Rodd's principle India might claim material reduction of her assessment on the ground that many tracts were not self-supporting in the matter of taxation.

96. It was agreed, on a proposal by the Spanish Delegate, that, when an ultimate result had been arrived at, the publication of the quotas should not be in group arrangements or with reference to percentages, but in alphabetical order with the amount of subscription of each State against it.

97. The Italian Delegate emphasised that the real deciding factor in the case would be the assent or dissent of the Parliaments of the various countries in respect of the sums they would have to be asked to vote, and that the existing scheme had at any rate the merit of having received general recognition. A departure from this scheme would provoke considerable opposition in various Parliaments, especially in the Parliaments of countries whose contributions would be increased. Speaking later, Sir William Meyer fully agreed with this line of argument.

98. In a further speech Sir William Meyer pointed out the difference between the idealism preached in the Assembly by the South African Delegates and the hard materialism of the present discussion, in which South Africa, like other States, had supported the scheme which would let it off the most lightly. Mr. Bruce (Australia) had endeavoured to support the opinions expressed in favour of the definite scheme by the proposition of the greatest happiness of the greatest number; that the definite scheme would increase the assessments

only of six countries, India included, whereas it would reduce the assessments of a great many more. If there was some injustice to India, surely it was better (he had observed) that this should be suffered than that so many other States of less wealth should have to complain.

Australia, now posing as a poor country, had, Sir William Meyer rejoined, spent nearly 1,000,000*l.* on a palatial office in London for her High Commissioner, an expenditure which India, with her much larger revenue and also larger necessary expenditure, could not possibly afford. Australia had also indulged in the luxury of an expensive line of Commonwealth steamers, which some of the best experts predicted would be run at a heavy loss. It was idle, therefore, to say that Australia was a poor country and India a rich one.

99. The only resolution discussed at this sitting was jointly submitted by the delegates of Poland, Rumania, the Serbo-Croat-Slovene State and Czecho-Slovakia, proposing that the allocations should be modified with reference to conditions of exchange. On a division the proposal was rejected by 13 votes to 9.

100. A further resolution tabled by Sir William Meyer (Appendix IV, Annex 3) proposed that the Reveillaud Committee should resume its labours as soon as possible and endeavour to frame a more complete and convincing scheme, after consideration of essential factors, such as the financial position of Federal Governments as compared with unitary States, the colonies of certain Powers, the special benefits that particular States may derive from the League, and so on; and that they should also endeavour to work on more recent statistics. It went on to propose that, as the Reveillaud Committee would, it was hoped, be able to work out a more satisfactory scheme before long, the Postal Union allocation should meanwhile continue to hold the field, as it is sanctified by the Covenant as it stands, and has in that capacity received the adhesion of all the Member States.

Many other delegates also tabled resolutions bearing on future allocation.

101. Meanwhile a report (embodied in a letter from M. Adatci, who had presided over it) had been received from the expert mixed Committee drawn from Committees I and IV, on the subject of the constitutional aspects of the matter. This letter is embodied in the final report of Committee IV on allocations, which figures in Appendix III (Annex 5). Briefly, it proposed that the Reveillaud Committee should continue its labours so as to evolve a more satisfactory eventual scheme; that Article 6 of the Covenant should be amended so as to enable the adjustment of the expenses of the League among the Member States to be made by decision of the Assembly; and that there should be a provisional Article embodying a scheme which might be applied at once with effect from 1922.

102. The suggestion that the Reveillaud Committee should resume its labours was unanimously adopted, and discussion then centred on the advisability of adopting a provisional scheme at once to supersede that of the Postal Union. It may be observed here that M. Adatci, as an individual member of Committee IV, now proposed that the decision of the Assembly in respect of any new scale should be taken on the proposal of the Council, but this was opposed by M. Trygger (Sweden) and Sir W. Meyer, on the ground that it would weaken the now recognised position that within the League the Assembly was supreme in matters of finance, and M. Adatci finally withdrew his amendment.

It was, however, agreed—on a suggestion by the Venezuelan Delegate—that the Assembly Rules of Procedure might fittingly be altered so as to ensure that no revision of allocation shall be considered unless its inclusion in the Assembly's agenda has been communicated to the constituent States of the League at least four months before the session.

103. As regards the adoption of a provisional scheme, Sir W. Meyer moved, in accordance with the suggestion contained in his draft resolution above-mentioned (paragraph 100), that the provisional scheme be dropped, and that the Assembly should hold to the existing allocation until it could be replaced by a really satisfactory one, one which could be acknowledged as just even by States

which might have to pay more therein. He pointed out that to get the ratification of the Governments necessary for altering the Covenant so as to dispense with the Postal Union scale must necessarily take a long time, so that matters would probably not be ready in practice for the introduction of a fresh scheme until the Assembly met next year, by which time it might be hoped to have an amended scale. Moreover, as the allocations for 1922 have to be notified at the beginning of the year, there was all the more reason not to put to States a scheme which could not be at once carried out as regards payments of subscriptions. The Parliaments of States which disliked the provisional scheme would be on very strong ground if they declined to vote provision until the Covenant had been so amended finally as to make it a *fait accompli* and not a possibility only. A long debate followed, in which representatives of the various States generally took, as in the previous week, the best line suited to the pecuniary interests of their countries, those who would be favoured by the Reveillaud Committee's existing proposals being for a provisional scheme which would embody this. Finally, on a division, the idea of a provisional scheme was carried by 21 votes to 11. Sir W. Meyer had not expected to get so many votes, and among these were those of the representatives of Great Britain, Italy, Spain, China, and Japan, and also (to take minor States as well) of Serbia, Cuba, Uruguay and Colombia. Sir W. Meyer thereupon asked that it should be recorded that he reserved full liberty to challenge this decision in the Assembly, a course followed by several of the other States comprising the minority.

104. The Committee then went on to consider what the provisional scheme should be, and after some discussion it was agreed by a majority that the basis of it should be what is called the Reveillaud Committee's definite scheme.

105. Having reached this result, and having regard to the fact that there was now very little time to put matters before the Assembly, it was agreed that it was no use at present discussing specific amendments to the scheme which had found favour. These could be considered in connection with the subsequent reconsideration of the scheme to be taken up by the renewed Reveillaud Committee, and consequently all the various resolutions bearing on this matter should be sent to that Committee. The only exception was as regards a proposal made by the Polish Delegate that his State should at once go down one class—from the third to the fourth. He supported this by the plea that the Reveillaud Committee had to take the revenue figures of 1913 (when Poland was still distributed among the empires of Russia, Germany and Austria), and could only arrive at the revenue of the new State by the arbitrary method of taking the revenue of the old empires and giving to Poland a sum under each proportion of the population transferred from Russia, etc., to the Poland of to-day. Also, that since its re-existence Poland had never had the benefit of settled conditions. This proposal was adopted by Committee No. IV.

106. As regards the date from which the provisional scheme should have application, the delegates of Australia, South Africa and Canada (which countries will benefit materially by the provisional scale as against the Postal Union allocation) pleaded emphatically for retrospective application to 1921, taking as the basis of their plea a proposal to this effect contained in recommendations made by Committee IV to the Assembly and accepted by it in connection with last year's budget (*see* on this point recommendation II, Article 13 (*e*) as printed on pages 86-7 of the Appendices of last year's Report of the Indian Delegation). They urged that, whatever this might be legally, it was in honour a binding agreement, on the strength of which their Parliaments had voted the contributions for 1922, Sir Edgar Walton (South Africa) declaring that General Smuts could not have carried the existing subscription for 1921 through his Parliament had he not been able to assure them that it was going to be revised for the benefit of South Africa. The opponents of this—including M. Reveillaud, Sir Rennell Rodd and Sir W. Meyer—replied that the recommendation invoked had not the binding force of a resolution and could be modified if circumstances required it. The fact was that last year it was thought that it would be possible to get matters

settled quickly by obtaining an amendment of the Postal Union classification in which case it would have been quite reasonable to make such amendment apply to 1921. It had now been found necessary to cut loose from the Postal Union altogether; the consequent amendment of the Covenant would take a long time, and to have the application of the scheme thrown back to 1921 would raise a legitimate grievance on the part of States which would suffer thereby, and render them very unwilling to agree to any proposed change in the League constitution *quâ* assessment. In this connection, Sir Herbert Ames (the Financial Director), made a good speech, pointing out that if the proposal was accepted it would be very prejudicial to the League's finances. He would have early next year to circulate to each State a statement of what it would pay under the Postal Union allocation still in force, and what it was proposed that it should pay under the provisional scheme, subject to retrospective application for 1921. The result would be that some States would have their 1922 contributions very largely increased, while others like Australia, Switzerland and the Netherlands would have to pay nothing, or might even be in a position to claim refunds. Obviously, a State which was heavily burdened by this method would not pay till it had definitely determined whether to accept the necessary amendment to the Covenant or not, and one which profited greatly would have little or nothing to send in. The League might, therefore, go bankrupt. M. Reveillaud strongly advised the Dominions delegates and others not to risk losing the new scheme altogether by insisting on this retrospective application. M. van Eysinga took the same view, and on a division it was decided by 16 votes to 10 that the retrospective application of the scheme till 1921 should be rejected, the Dominions delegates thus defeated reserving their liberty to raise the question again in the Assembly.

It was agreed that, in regard to the provisional scheme, it should be indicated that it would remain in force "till altered by the Assembly," to provide for the contingency that we might not be ready with a really definite scheme next year.

Action by the Assembly.

107. The matter came before the Assembly on the 6th October, on the report of Sir Rennell Rodd, printed in Appendix III (Annex 5).

At a discussion which had taken place between the British Empire Delegations under the chairmanship of Mr. Balfour, a compromise course had found favour.

Sir Rennell Rodd was to propose in the Assembly that the new provisional scheme should only last during 1922 and 1923, and should lapse earlier if a satisfactory fresh scheme has meanwhile been adopted.

Further when the new scheme was adopted, countries which may have paid more than their share (*a*) in 1921 with reference to the Postal Union scale; or (*b*) in 1922, and possibly 1923, under the provisional scheme should be entitled to eventual refund, if and when the League's finances permitted.

Accordingly, when Sir Rennell Rodd, acting as *rapporteur*, placed before the Assembly the resolutions entrusted to him by Committee IV, he personally made the suggestions for modification above referred to. But when the matter was discussed in the Assembly, it was found that there was no chance of obtaining the requisite three-fourths majority for the resolutions as Sir Rennell Rodd had wished them finally to stand, and after discussion the Assembly passed the resolutions and recommendations printed in Appendix II (Resolution No. 30). The first resolution, involving amendment to Article 6 of the Covenant, was passed by 40 votes to 1, 10 delegations being absent or abstaining; and the second, adopting the provisional scheme of allocation, by 31 votes to 2, 18 delegations not voting. The rest of the resolutions and recommendations were adopted unanimously, with the exception of the recommendation in favour of the eventual reimbursement of States who may pay more under the provisional scheme which had been adopted than under such definite scheme as may finally come into force. This recommendation was carried by 21 votes to 10.

108. The position of India had been considerably weakened by the previous action of the Assembly (*vide* paragraphs 30—36, *supra*), by which resolutions in respect of Covenant amendments were no longer to come under Article 5 as

regards unanimity, but that a three-fourths majority would suffice if it included the representatives of all States on the Council, and it became very difficult to look to a minority of more than one-fourth as against the provisional scheme, from the fact that the delegates of those Council States, who had been India's allies in Committee, shrank from taking the position of voting against the provisional scheme, and its proposed application, in the Assembly and thus destroying it. They preferred to leave any hostile action that their Governments might consider necessary to those Governments when it came to ratification. Consequently, Sir W. Meyer thought it better not to put India in the position of voting against the resolution in regard to the provisional scheme, although the final solution adopted by the Assembly was considerably less satisfactory than that which the British Delegations would have accepted if the matter had lain between themselves, in that—

(1) The provisional scheme is not to be subject to a definite time limit, but to remain in force till the Assembly adopts another one, which will obviously give opportunity for obstruction in regard to a new scheme on the part of those whom this will favour less than the provisional scheme.

(2) The proposals as regards the setting on foot of a new scheme and the arrears solution, which would benefit India if a fresh scheme were more in her favour than the provisional scheme is, are recommendations and not positive resolutions.

After consulting with Mr Sastri (H. H. the Maharao of Kutch had had to leave Geneva when the matter came on), Sir W. Meyer abstained on the provisional scheme resolution, and voted in favour of the other proposals. Still the position remains better than when Committee IV concluded its labours, and considerably better than had been anticipated when the discussions in that Committee began. It may be mentioned here that on the budget for 1922 India would, under the provisional scheme, pay about 1,380,000 gold francs against 1,022,000 which she would contribute under the Postal Union scheme.

109. It has to be remembered, however, that until the Covenant is amended the Postal Union scale holds the field, and that the Government of India have full liberty to ratify, or decline to ratify, the proposals carried in the Assembly. (They would, of course, be allowed to reconsider with reference to the last clause of Article 26 of the Covenant, if a majority for ratification had been secured without them, and they need not act without very full consideration.) And until the Covenant has been definitely amended by the necessary votes of all the Council States and a majority of the rest, a procedure which must take a long time, India will certainly be within her right in declining to pay anything more than what her obligations under the Postal Union scale impose on her.

Audited Accounts and Budget of the League.

110. In regard to the audited accounts of the Secretariat for the period July-December 1920 (the audit of the first half of 1920 came before the Assembly last year), attention was drawn by some of the Dominions Delegates and Sir W. Meyer to the extraordinary method adopted by the Swiss auditors in setting forth the income and expenditure of the League for the period in question. They had included in the income a large amount of subscriptions due for this period from a number of States which had not been paid within it, with the result that they showed a large surplus, while there was really a deficit involving temporary borrowing from Lloyds' Bank. It was agreed that, while this statement should be maintained as possibly suiting the ideas of continental countries, there should be a supplementary statement setting forth the actual cash receipts and expenditure for the period, with a supplementary note indicating assets subsequently realisable.

The following States have paid nothing as yet on account of 1920:—Argentine, Columbia, Guatemala, Liberia, Nicaragua, Paraguay, Rumania,

and Salvador, while there are balances, running from 50 to 80 per cent., still due from South Africa, Panama, Peru, Persia, and the Serb-Croat-Slovene State. On the whole, according to a statement made by Sir Herbert Ames, 10 per cent. of the contributions to the 1920 budget of 10,000,000 gold francs still remain to be paid.

The auditors' report was then passed, as also a similar report for the Labour Office—this latter for the whole year 1920.

111. The Committee then took up the estimates presented by the Secretariat and the Labour Office for the year 1922, put together finally in a general consolidated budget statement (Appendix III, Annexes 6 and 7).

The budget for 1921 was prepared in a most unsatisfactory way, the chief faults being referred to in paragraphs 96-105 of the Indian Delegation's Report on last year's Assembly; in particular, the Labour Office contenting itself with giving globular figures. A great improvement was noticed in regard to the budget of the coming year, attributable mainly to the recommendations (largely due to the initiative of India) made in the Foster-Eysinga report on last year's budget and approved by the Assembly. In particular, the Labour Office figures were put quite clearly, more so indeed than those of the Secretariat, and M. Thomas' explanations compared favourably with those of Sir Herbert Ames. And it may be observed here that the absolute control of the Assembly over the budget is now fully admitted.

The total budget for 1922 as originally presented was, in round figures, for 23,768,000 gold francs (of which 8,245,000 were for the Labour Office), against 21,250,000 in 1921 (of which 7,000,000 were for the Labour Office).

It may be noted in this connection that the increase in the Labour Office estimates does not mean an increase of actual outlay, the Director having been strictly enjoined by his Governing Body not to exceed the total actual expenditure voted for 1921, but a less favourable exchange for Swiss francs, in which the accounts of the Labour Organisation are now kept.

The original figures were added to or modified by various supplementary estimates put in, in a confused fashion, at the last moment, and also by net reductions by Committee IV. The net total result is that the budget for 1922 will now stand at about 20,750,000 gold francs (of which nearly 6,136,000 are for the Labour Office), *i.e.*, a decrease of about 3,000,000 gold francs on the estimates as originally put before us.

This economy is, however, not nearly as drastic as it looks, for no less than 1,364,000 gold francs represents surplus balances accumulated, or likely to accrue, in connection with the Labour Office. It was decided, and very rightly, to allocate these to reduction of the resultant expenditure which would have to be met by the constituent States of the League instead of, as proposed by the Canadian Delegate (Sir George Perley) and Sir Herbert Ames, putting it into the general working capital fund, which is to be available for the Labour Office as well as for the Secretariat (paragraph 84 *supra*).

Sir Herbert Ames had likewise suggested that the Secretariat budget of 1922 should include the replenishment of the working capital fund to the extent of 500,000 gold francs, but this proposal was withdrawn in view of a decision that the fund should be limited to 5,000,000 gold francs.

112. The chief abiding economy was one obtained on a motion by the Brazilian Delegate for a general reduction of 25 per cent. in printing charges, wherever these occurred. He impressed the Committee by the fact that he had made personal investigations as to the price of paper, and found that it had fallen considerably, while the Secretariat apologist had to admit that concomitantly the British Stationery Office (from which the League had hitherto got most of its supplies) had for some reason doubled its prices. This also impressed the Committee, which was relieved to learn that we were not bound in any way to obtain paper from London if we could get it cheaper elsewhere.

113. The estimates for the *Publication Department*, originally 415,000 gold francs, are finally reduced to 356,000 chiefly by reason of the printing economy referred to above. But they now include a supplementary estimate

of 45,000 gold francs for the publication of the League's monthly *Bulletin* in several languages instead of in English and French only. The official who explained the estimates on behalf of the Secretariat wanted not merely a publication in all the principal European languages, but also in those of Japan and China. Sir W. Meyer argued that however desirable that might be, this was not a time to increase expenditure, but on a division the supplementary estimate was carried. Sir W. Meyer then obtained agreement to the suggestion that if translations were made into Chinese and Japanese they should be made into one at least of the Indian languages, *e.g.*, Urdu.

114. Under *Transit*, the original estimate was 500,000 gold francs against 670,000 in 1921, the decrease being due to the fact that there will be no general conference such as there was at Barcelona this year. But a net increase was made to the extent of about 43,000 gold francs with reference to the fact that the Assembly, on the proposal of Committee II, had sanctioned the holding of regional conferences, and that these might involve an outlay of about 100,000 gold francs. There was a feeling at first againt this latter supplementary estimate, but M. van Eysinga (Netherlands), supported by Sir Rennell Rodd and M. Reveillaud, urged that the Committee could not put itself in a position of opposition to the Assembly. This, however, elicited a general desire to have matters put on a more satisfactory basis, so that no projects involving additional expenditure should be put before the Assembly by other Committees until they had been considered also in Committee IV, a matter which will be further dealt with later. Sir W. Meyer pointed out that, even as matters at present stood, while necessarily bound to accept the policy laid down by the Assembly, it was the Committee's duty to consider, and if necessary to criticise, the departmental estimates submitted to carry out that policy: in the present case such regional conferences as were required (and it had been indicated by an official apologist that there might not be any at all) could be met out of the original vote of 500,000 gold francs. Finally, it was decided, on the motion of M. Reveillaud, to pass a supplementary vote for 50,000 gold francs, thus allowing for extension of the estimates with reference to regional conferences, and at the same time vindicating the Committee' s prerogative of dealing with expenditure. This increase was to a slight extent set off by some minor savings.

115. For the purpose of books and library equipment, Sir W. Myer obtained a reduction of 65,000 gold francs, in order to reduce the figure to that of the 1921 budget, pointing out that the Expert Committee on Organisation had criticised the scale of the Library as too ambitious.

116. The question of exchange and exchange compensation allowances came under discussion with reference to the Labour Office estimates, and M. Thomas had to admit that it was quite incorrect on present indications to assume that 20 gold francs would be equal to 24 Swiss, the rate of conversion taken for 1922. He stated that the accounts had been first of all kept in pounds sterling, then in Swiss francs, then—at the instigation of Sir Herbert Ames—in gold francs, and now in Swiss francs again ; and asked pathetically how he was to avoid getting into confusion. It has now been settled that the domestic accounts of the Labour Organisation shall be kept entirely in Swiss francs, and that the globular result will be converted into gold francs for the purpose of the final budget at the current rate of exchange. M. Thomas also explained, with reference to the special allowance of at least 24 Swiss francs for 20 gold francs given to members of the staff, that prior to the move of the office from London to Geneva, everybody's salary was fixed in pounds sterling, but that those subsequently recruited had their salaries fixed in Swiss francs. It was the former class who were considered entitled to compensation for unfavourable developments of exchange. It was finally decided that the whole matter of exchange compensation should be submitted for consideration to the Salaries Adjustment Committee.

117. An important economy was effected in regard to a sum of 500,000 gold francs, which M. Thomas explained was to be a carry-on from 1921 of a reserve for buying or building permanent premises for the International Labour Office. It was pointed out that it had already been decided (paragraph 88

supra) that pending decision as to the future seat of the League, which it was hoped would be taken up next year, the Labour Office should remain in rented premises, and that this credit was therefore as yet unnecessary.

Finally, as M. Thomas pressed for something to be voted to him, so that he might in next year's Committee show that there was a definite policy, it was resolved that a sum of 20,000 gold francs should be substitued for the original 500,000, the said 20,000 to be employed in preliminary investigations, such as the drawing up of plans, or possibly on the purchase of an option.

118. The budget discussions were on the whole quite satisfactory. Owing largely to pressure exerted by India last year, the estimates are now much fuller, and in particular the Labour Office has given detailed figures instead of globular sums. As regards the examination of these, although Sir W. Meyer and Sir James Allen (New Zealand), who gave him generally uniform support, were not able to obtain all the reductions they would have liked, they did effect several material cuts, which have been already mentioned, and in regard to these received useful support from the Brazilian Delegate (M. Barboza Carneiro), who commanded some following from the Latin-American States.

Action by the Assembly.

119. M. van Eysinga's Report, setting forth the Committee's actions in regard to the budget and financial administration generally (Appendix III, Annex 8), came before the Assembly on the 3rd October. The figure of 20,758,945 gold francs given on the first page of M. van Eysinga's Report in respect of the budget for 1922 has now to be raised by 100,000 gold francs, with reference to the decision in regard to Albania referred to in paragraph 155 (Appendix II, Resolution No. 20).

M. van Eysinga made an effective speech in support of the Report, and Sir W. Meyer followed him with a speech, which is printed in Appendix IV (Annex 4). The recommendations and resolutions were then unanimously accepted (Appendix II, Resolution No. 21).

An important decision, as to proposals involving expenditure being submitted by other Committees to Committee IV prior to being placed before the Assembly, which had been passed on by the Committee to Committee No. I for consideration from a drafting point of view, was, as stated in paragraph 42, formally passed at a subsequent sitting on the 6th October as an amendment of the Assembly's Rules of Procedure (Appendix II, Resolution No. 31).

Work of Committee No. V. (Humanitarian Questions).

The Traffic in Opium.

120. At the meeting of the 13th September the Committee began the discussion of the Report of the Advisory Committee on Opium and the Report of the Council on that Report. All that emerged from a very vague and general preliminary discussion was a resolution in the following terms:—

"This Committee recommends to the Assembly that the various Governments be invited, where they see no objection, to furnish to the Secretariat, in addition to the official annual Report, any information concerning the illicit production, manufacture, or trade in opium or other noxious drugs, which they think likely to be useful to the Committee in the execution of its duties."

121. In view of the dangerous character of the last recommendation contained in the Council Resolution (printed in Appendix III, Annex 9) to be subsequently discussed, the attendance was procured at Geneva of the Indian member of the Advisory Committee (Mr. J. Campbell). Briefly, while the Advisory Committee had drawn attention to the very unsatisfactory position in China in respect of opium production there, and proposed that the matter should be brought to the notice of the Chinese authorities, Mr. Wellington Koo, who had been nominated reporter by the Council in respect of this matter, suggested the elimination of that recommendation. On the other hand, he proposed to ask the Advisory Committee, in view of "the general desire" to limit opium production to strictly medicinal and scientific purposes, to consider the institution of an enquiry as to the average requirements for

these purposes in the different countries. This was going far beyond the provisions of the Hague Convention, which recognised the legitimate use of raw opium under due restriction.

122. When the discussion was resumed on the 14th September, with reference to the resolution of the Council on Mr. Koo's report upon the recommendations of the Advisory Committee, Mr. Sastri delivered a speech which made a profound impression upon the Committee. He pointed out that the report of a special expert body had been set aside without adequate reasons being given, and, commenting on Mr. Koo's proposal, endorsed by the Council, that the question of making representations to China regarding her poppy cultivation should be deferred, emphasised the infructuous sacrifices of India on behalf of China and the present position of the latter country as the leading opium producer of the world. As regards recommendation 7 of the Council's resolution, inviting the Advisory Committee to report on "the possibility of instituting an enquiry to determine approximately the average requirements of raw and prepared opium specified in Chapters I and II of the Convention for medicinal and scientific purposes in different countries," Mr. Sastri pointed out that the terms of this recommendation must be read with Mr. Koo's preliminary report, in which the object of the resolution was clearly stated to be the eventual limitation of poppy cultivation to strictly medicinal and scientific purposes. He emphasised the fact that this object was not among those which the Hague Convention was drawn up to attain, and urged that action in the sense suggested was *ultra vires* of the League. He then attacked the proposal on its merits, pointed out the hardship such limitation would entail upon the people of India, many of whom were far from dispensaries and medical advice, and had for generations taken opium in moderate amounts as a febrifuge, and explained that action in the direction contemplated by Mr. Koo would be practically effective in regard to India only among the opium producing nations. Turkey had not acceded to the Hague Convention, Persia had signed with a reservation that robbed her signature of practical value, and no attempt at restriction of cultivation in China had the slightest chance of success in the existing circumstances of that country.

India was quite ready, when the time came, to consider a further advance on the position as it was left by the Hague Convention. But, owing to the war, that Convention had only lately come into general application, and it was essential to secure due observance of its provisions, in China as elsewhere, before trying to occupy fresh ground.

123. At the meeting of 17th September, Mr. Wellington Koo made his reply to Mr. Sastri. He opened his exposition by an account, on the usual lines followed by anti-opium societies, of the history of the wars with China; and the burden of his introduction was the heroic struggle of China against the Western Powers, which (he said) finally forced opium upon that reluctant country at the point of the bayonet. He then narrated the history of what happened between 1908 and 1917, and acknowledged the great assistance India had rendered to China. Recrudescence of cultivation since the latter year he admitted; but while refusing to accept Mr. Sastri's statement that China's production of opium amounted to four-fifths of the total output of the world, he made no effort to challenge the accuracy of that estimate. He asserted that it was not his personal intervention which had led to the resolution Mr. Sastri challenged, and explained that recommendation 5 of the Advisory Committee was dropped by the Council, as it involved direct interference by the Council in the internal affairs of China, and was also unnecessary in view of the action which the Chinese Government had taken to ascertain the facts as they now existed regarding opium cultivation in China. Sir John Jordan, who acted as one of the assessors on the Advisory Committee, had expressed himself satisfied with this action—the appointment of seven Chinese High Commissioners to ascertain the real position and to enforce the existing laws.

He thought that Mr. Sastri had misunderstood the purport and scope of the draft recommendation (7) of the Council. There was no desire to embark on an immediate campaign against the production of opium otherwise than for

medical and scientific purposes. All that was contemplated was an enquiry, if the Advisory Committee agreed that such an enquiry could profitably be made, which would give the Assembly and the Council information necessary for the formulation of a reasoned policy. Such information the Council was fully competent to collect. If restriction of production was finally approved by the League as their definite policy, India would be asked to co-operate; she would not be compelled to adopt that policy. Mr. Koo laid great stress on the point that this policy, if definitely decided on, could be postponed to any date, however remote.

124. The Committee then proceeded to vote on the various individual recommendations contained in the Council's draft resolution. Recommendations 1, 2, 4 and 5 were unanimously adopted and recommendations 3, 6 and 7 were referred, at Mr. Balfour's suggestion, to a Sub-Committee constituted as follows:—Mr. Sastri (India), Mr. Wellington Koo (China), Mlle. Bonnevie (Norway), M. Avramovitch (Serbia), M. van Swinderen (Netherlands), Professor Gilbert Murray (South Africa), M. Hennessy (France).

125. This Sub-Committee held several meetings on the 19th and 20th September, and commenced with a discussion in respect of the terms of recommendation 3 of the resolution, which is as follows:—

"That the provisional Health Committee of the League, or any other similar organisation, be asked to undertake an enquiry to determine approximately the average requirements of the drugs specified in Chapter III of the International Opium Convention, for medical and other legitimate purposes in different countries."

M. Hennessy (France), supported by M. Avramovitch (Serb-Croat-Slovene State), took strong exception to the terms of this proposal, especially to the intervention it involved of the Health Organisation of the League. They pointed out the danger, and, indeed, the illegality, of inquisitorial inquiries in respect of the internal arrangements of the various States. Sir Malcolm Delevinge, who attended the Sub-Committee as having been British "expert" on the Opium Advisory Committee, said it was too late to take this point, as the Council had referred the matter to the Health Organisation, which was considering it.

This evoked immediate and strong protests from the delegates of France and the Netherlands as being a usurpation by the Council of the functions of the Assembly. Professor Gilbert Murray contended that the Council's recommendation was not a usurpation but merely a well-intentioned method to facilitate the progress of investigation, provided the Assembly approved this. This view did not find favour with the protesting delegates, but they agreed to accept the assurance that the Council had not intended to usurp the Assembly's functions.

A representative of the Provisional Health Organisation, who attended, explained that his Committee were only at present engaged on quite tentative inquiries in regard to the possibility of obtaining the statistics desired by the Council, and that no definite decision had as yet been arrived at on this point, and gave the assurance that in any case no inquisitorial inquiries would be made in the countries concerned. He in fact accepted the view expressed by the delegates of France and Serbia that any information needed must be supplied by the Governments concerned.

One of the Persian delegates (Prince Arfa-ed-Dowleh), who, although not an original member of this Sub-Committee, was subsequently added to it, delivered a speech which was much to the point. He indicated the dangers of interfering with secular habits in Oriental countries, and asked how, if and when the League had decided the amount of opium production which should be allowed to the world in general, this would be distributed among the producing States. He inquired further how they would deal with a country like Afghanistan, which produced some opium, but is outside the League's sphere.

It was finally decided to accept this portion of the Council's resolution, but to amplify it by an explanation, to form part of the resolution, designed to meet the various criticisms advanced.

126. Paragraph 6 of the Council Resolution, which shelved consideration of the recommendation of the Advisory Committee that representations should be made to the Chinese authorities as to the opium situation in that country, was then discussed. Mr. Sastri recapitulated the arguments against Mr. Koo's shelving proposal, which had been adopted by the Council, and in favour of adopting the proposal of the Opium Advisory Committee. He suggested that the wording of the recommendation might be modified in order to avoid any injury to Chinese susceptibilities; but he urged strongly that its substance must be maintained unless the League of Nations were prepared to neglect the duties which the Covenant, read with the Hague Convention, imposed on them. He showed that China was at present the *crux* of the opium position: and he stressed the argument that if the League of Nations refused to take notice of the admitted failure of China to make her declared policy effective, then all attempts at suppression by the League must be abandoned. Professor Murray agreed generally with Mr. Sastri, but asked that the wording of the Opium Advisory Committee's recommendation be somewhat toned down; China's temporary representative (Mr. Koo being engaged elsewhere) preferred not to speak; M. Hennessy (France) agreed with Mr. Sastri and Professor Murray; and M. van Swinderen (Netherlands) expressed his concurrence also. It was decided that an effort should be made to secure an agreed text with Mr. Wellington Koo on these lines. This text could then be considered at the next meeting.

127. As regards paragraph 7 of the Council Resolution :—

> "That in view of the world-wide interest in the attitude of the League towards the opium question and of the general desire to reduce and restrict the cultivation and production of opium to strictly medicinal and scientific purposes, the Advisory Committee on Traffic in Opium be requested to consider and report at its next meeting on the possibility of instituting an enquiry to determine approximately the average requirements of raw and prepared opium specified in Chapters I and II of the Convention for medicinal and scientific purposes in different countries,"

Mr. Sastri proposed an amendment, which Sir William Meyer had originally suggested to Mr. Koo in personal conference, *viz.*, the substitution of "legitimate" for "medicinal and scientific" where these words occurred in the resolution. After some discussion this was unanimously accepted, the word "strictly" being also omitted in the first portion of the resolution. Mr. Koo, who again failed to attend the meeting, sent a message by his representative to the effect that, in his opinion, any modification of a resolution approved by the Council would form a most dangerous precedent. The Sub-Committee did not, however, accept this.

128. When the Sub-Committee next met Mr. Koo endeavoured to reopen the questions previously discussed. Mr. Sastri raised a point of order on this, but the Chairman held that, as Mr. Koo had been prevented by *force majeure* from attending on previous occasions (he had to attend Council meetings) he should be allowed to state his case fully. Mr. Koo then advanced every possible plea in favour of the Council Resolution as regards all points which had come under discussion; and he finally entrenched himself behind an alleged constitutional point, that the Assembly had no power to alter a Resolution of the Council. The Chairman disagreed as to this and was supported by the delegates of France, Serbia and Norway. It was finally decided that an addition should be made to paragragh 5 of the Council Resolution, adding "and of China" after the words "Contracting Powers having treaties with China," thereby calling attention to China's obligations under Article 15 of the Hague Convention; and that formal note should be made of the action said to have been taken by China to ascertain the facts as regards the recrudescence of poppy cultivation there. Mr. Sastri accepted this. Mr. Koo intimated that he reserved the right to raise his "constitutional" point in full Committee and in the Assembly.

As regards paragraph 7 of the Council Resolution, Mr. Koo repeated all his old arguments, but obtained no support. He then suggested that the Council Resolution should be merely expanded so as to cover the consumption of opium "for other legitimate purposes." Mr. Sastri objected to this; the Norwegian Delegate concurred, and on a vote being taken Mr. Koo alone supported the Council Resolution as it stood, all the other delegates voting for the amendment proposed by Mr. Sastri and agreed to at the meeting that morning.

129. At a final meeting of the Sub-Committee on the 21st to consider the draft report to be submitted to the Plenary Committee, M. van Swinderen, as Chairman, explained that he had had a lengthy conversation with Mr. Wellington Koo, and was impressed with the desirability of avoiding any reference in the report to the possibility of a conflict between the Council and the Assembly. He had drafted the report most carefully with that end in view, and he understood that, if the Sub-Committee generally accepted the draft, it would be accepted by Mr. Koo also. The draft was then unanimously adopted. From India's point of view the report was suitable; it reproduced correctly the decisions arrived at by the Sub-Committee, and there was nothing in the introductory matter to which objection could reasonably be taken. The report represents the complete triumph of India's very legitimate objections to the original Council proposals, and this result was very largely due to the convincing presentation of her case by Mr. Sastri and the working up of details by Mr. Campbell.

130. In discussing the report, M. Hennessy made an attempt to get the word "legitimate" defined, so as to prevent a possible large expansion of its meaning and consequent abuse; Mr. Sastri objected to this, and pointed out that it would be much safer not to attempt any definition. He called attention to the declared object of the Hague Convention, which was to suppress the "abuse" of opium; "abuse" was not defined in the Convention, and we should not attempt to define "legitimate" here. The Serbian Delegate agreed. Professor Murray, however, suggested that a direct reference, by way of example, might later be made to legitimate uses of opium in India; and to this Mr. Sastri had no objection.

131. The Sub-Committee unanimously agreed to exclude "prepared opium" from their resolution, in view of the provisions of Chapter II of the Hague Convention, which form a self-contained code. The Convention requires "the gradual and effective suppression . . . of the use of prepared opium"; in these circumstances an enquiry into the legitimate consumption of prepared opium would obviously be inappropriate.

132. At the full Committee meeting of the 21st, M. van Swinderen, the *rapporteur*, explained the conclusion arrived at by the Sub-Committee, and after some discussion the report was unanimously adopted.

It was proposed, on the suggestion of Mlle. Bonnevie (Norway), supported by Professor Gilbert Murray, that the report should contain a passage asking the Council to consider whether all nations specially concerned with the growth or manufacture of opium or its derivatives should not be represented on the Technical Advisory Committee, and special reference was made to Germany as being a large producer of cocaine and other drugs.

This was carried, and it is obviously desirable that Germany should be represented.

133. The following proposals were then passed on the motion of Sir Malcolm Delevingne:—

(1) That the Committee recommend to the Assembly to urge upon all States Members of the League which have not yet signed and ratified the Opium Convention to do so as soon as possible.

(2) That the second recommendation of the Advisory Committee as to the making by each State of an annual report on the execution of the Convention (which was adopted by the Council but does not appear in the resolutions of the Council on page 72 of the Report to the Assembly) be approved.

(3) That, in order to facilitate the execution of the Convention, the Committee recommend to the Assembly to urge all States Members of the League to intimate to the Secretariat as soon as possible their acceptance of the fourth recommendation of the Advisory Committee as to the requirement of import certificates.

134. At the last moment M. Hennessy (France) proposed that a fresh international conference should be held in order to deal effectively with deleterious drugs not precisely covered by the terms of The Hague Convention; he asserted that manufacture of such drugs was now being carried out, but did not produce convincing evidence of this. M. Sastri took the line that a fresh conference was inadvisable until the ground covered by The Hague Convention had been more fully secured; but he did not desire to object, especially as the proposed recommendation did not settle the matter definitely, but merely called for the opinion of the Advisory Committee.

Action by the Assembly.

135. The conclusions of the Committee were embodied in a report presented to the Assembly by M. Ferreira (Portugal) on the 30th September (Appendix III, Annex 9). In the course of his observations on the recommendations of the Committee, the *rapporteur* made the statement that in India the population "has cultivated the opium poppy from time immemorial." It was pointed out privately that this was incorrect in present conditions, poppy cultivation being restricted to certain definite tracts, and in his verbal report to the Assembly M. Ferreira omitted the passage. Steps were then taken to ensure that the passage would also be omitted from the final official text of the report.

136. It had been finally arranged by Sir William Meyer with Mr. Wellington Koo that neither China nor India should address the Assembly on the subject of opium, and the debate was brief, being confined to representatives of Persia, France and the Netherlands, the last mentioned (M. van Swinderen) merely intervening as representing the Power under whose auspices The Hague Convention had been summoned and which had hitherto been its guardian. The speech delivered by M. Hennessy (France) was an explanation of his recommendation above referred to.

The Assembly unanimously passed the resolution which had been put before it and which will be found in Appendix II (Resolution No. 15). Paragraphs 4 and 8 of this resolution are those dealing with the questions which had been in issue between the Indian and Chinese Delegates.

136A. It may be added that subsequently the Council once more appointed Mr. Wellington Koo as their *rapporteur* on the subject of the Assembly's resolution, and that he proposed, and obtained, its acceptance, suggesting that, with reference to paragraph 10 of the resolution, Germany and the Serb-Croat-Slovene State should be asked to send representatives to the Technical Advisory Committee.

Deportation of Women and Children in Turkey and Adjoining Countries.

137. On the 23rd September the Assembly passed unanimously a resolution (Appendix II, Resolution 8), which was presented by Mlle. Vacaresco (Rumania), in an eloquent speech, and had been approved in Committee V, on the subject of the deportation of women and children in Turkey and the adjoining countries. The resolution recommended the establishment in Constantinople of a Commissioner of the League of Nations, who should be assisted by a Committee consisting of the High Commissioners of France, Great Britain and Italy, and should be placed in control of a mixed Board dealing with the reclamation of women and children. It also proposed that the Neutral House for the temporary reception of women and children should be reorganised and placed under the Commission of Enquiry, and that additional Neutral Houses should be opened as circumstances admit.

TRAFFIC IN WOMEN AND CHILDREN.

138. The Committee discussed an *exposé* by Mlle. Forchhammer (Denmark) on the present position in regard to what used to be the "white slave traffic," but is now, to avoid racial distinction, to be styled the "traffic in women and children."

The position, as it stood at the close of last year's Assembly, is indicated in Resolution 27 of Appendix II to the Indian Delegation's Report. There was an international agreement dealing with this subject in 1904, to which India was a party, and a convention in 1910, which India abstained from agreeing to, on the ground that the age limits were inappropriate.

139. In accordance with the Assembly's wish of last year, a special Conference was held last June, at which India was very ably represented by Mr. S. M. Edwardes, C.I.E., whose report indicated that the recommendations of this Conference for a new convention might be accepted by India, subject to certain stipulations in regard to age and other matters. A draft convention embodying the "Final Act" of the Conference, which sums up its proposals had been drawn up by the British representative on the Council, and this now came before Committee V.

The resolution proposed by Mlle. Forchhammer and redrafted by Professor Gilbert Murray was to the following effect:—

(*a*) That the Assembly confirm the Final Act of the Conference on the Traffic in Women and Children.

(*b*) That the amended draft convention based on the Final Act of the Conference be adopted, and that a protocol of signature be opened at the Assembly.

(*c*) That all Delegates be requested to communicate immediately with their respective Governments asking for full powers to sign the protocol.

140. For some rather obscure reason the French Delegate opposed this procedure very vehemently, and raised the point that it was *ultra vires* for the League to draw up a convention, overlooking apparently that this method had been adopted last year in connection with the International Tribunal at The Hague. The French contention that at any rate there should be a preliminary reference to Committee I, which deals with constitutional questions relating to the Covenant, was rejected by 17 votes to 8, and by 17 votes to 5 the Committee accepted the resolution as drafted by Professor Gilbert Murray.

141. In the course of the discussion Mr. Sastri made it clear that India could not accept the age limit (21) now proposed for the protection of girls. India's internal legislation fixed this age at 16, and having regard to early maturity in tropical countries, that age could not be expediently exceeded while it would obviously be undesirable to have a special higher limit for the benefit of a very limited number of non-Indians. (This in effect was the argument which India had put forward against joining the convention of 1910.)

India's objection to the age limit was supported by the representatives of Japan and Siam, and it was decided that their reservations should be indicated.

The Committee instructed the *rapporteur* (Professor Murray) to provide for this in the draft convention, and to make sure that the latter did not go beyond the recommendations of the Final Act adopted by the Conference.

As regards signature of the convention before the Assembly dissolved, Sir William Meyer was unable to take this course, as the Government of India had not yet had the opportunity of expressing their views as regards either the report of Mr. Edwardes or the draft convention itself.

142. At a later meeting Professor Murray's report, in which he had been assisted by a small drafting Committee, was brought up. They proposed some slight verbal alterations in the convention, to make if follow more closely the wording of certain recommendations of the Conference, and expressed the opinion that the reservations as to age by India, Japan and Siam, which were approved by the Committee, might be made on behalf of these Governments

at the time of signing by their representatives, and need not involve an alteration of the text itself.

143. Professor Murray then proposed a resolution in verbal amendment of that referred to in paragraph 139 *supra*, to the following effect:—

"That the Assembly, having taken into consideration the Final Act of the Conference at Geneva on traffic in women and children approved by the Council, expresses the wish that those of its provisions which require conventional form be adopted in that form by the Members of the League with the least possible delay.

"That for the purpose the Assembly recommends that the Delegates, who have the necessary full powers to sign the draft convention annexed, should sign it without delay, and that those who do not yet possess them be invited to communicate immediately with their respective Governments in order to obtain the necessary powers to sign."

The French Delegate (M. Hennessy) said that France must also make reservations as to age in connection with her tropical colonies, and as there was not sufficient time left to consider the draft convention thoroughly, he suggested that a new special Conference should be held to examine it. This proposal was supported by M. Avramovitch (Serb-Croat-Slovene State), but the revised resolution was carried by 14 votes to 2. Mr. Balfour, in the course of the discussion, observed that an age reservation would also have to be made in regard to certain of the British Crown Colonies, and that for the present he could only sign on behalf of the United Kingdom.

Action by the Assembly.

144. On the 29th September Professor Gilbert Murray (South Africa) presented the Committee's report to the Assembly. Having explained the matters at issue, and noted the reservation by the representatives of India, Siam, and Japan in respect of the age question, he put forward the resolution referred to above.

145. The French Delegate put forward the alternative proposal that the Assembly should invite the Governments of the constituent States of the League to examine the "Final Act" of the Conference of 30th June last and the draft convention drawn up by the British representative on the Council of the League; that States should be asked to indicate within four months whether they would agree to have a protocol of signature in respect of this convention opened at Geneva, and that such protocol should be opened if and when two-thirds of the States consulted had sent in favourable replies in respect thereof; also that if not less than one-half of the States of the League asked for an entirely fresh Conference to consider the convention, this Conference should be at once convened.

M. Hanotaux (France) said that he took exception to the resolution before the Assembly because the convention was the work, not of a Committee composed of delegates of the Powers, but of what might be called a private drafting Committee. (There seemed to be a good deal of jealousy on the part of France that Great Britain had prepared this draft without preliminary reference to her.) He contended that the convention differed in various respects from the "Final Act" of the special Conference of June last, and that it would appear to exclude colonies and dependencies. Professor Murray replied that the original British draft had been revised by a Committee of Jurists in co-operation with French experts, and that it had been again gone into, and revised, by two members of the Assembly who had been elected Judges of the Permanent Court of International Justice.

146. Mr. Balfour pleaded eloquently for the adoption of the original resolution, pointing out the delay that the French proposal would involve, and asking the Assembly not to admit any avoidable delays in respect of a traffic which was a discredit to the world. The same line was taken by other speakers, *e.g.*, M. La Fontaine (Belgium) and M. Ador (Switzerland), while M. van Swinderen (Netherlands) asked whether M. Hanotaux would agree to shorten the four months' period in his resolution to two months, and suggested that the protocol might be opened for signature as soon as one-third of the States of

the League had expressed their approval of the convention. M. Hanotaux expressed his willingness to adopt this suggestion, but it was not satisfactory to the great majority of the Delegations, and on a division the French proposal was thrown out by 25 votes to 8, the French supporters being the Netherlands, Poland, Czecho-Slovakia, Serb-Croat-Slovene State, Costa Rica, Cuba and Venezuela.

The original resolution was passed without a dissentient vote, France abstaining. (Appendix II, Resolution No. 14.)

The draft convention as it now stands is printed in Appendix III (Annex 10).

Typhus.

147. At the meeting of the 14th September, M. Ador (Switzerland) read a statement summarising the action that had been taken by the Special Epidemics Committee appointed to administer the funds raised from Governments and individuals for combating typhus and other epidemic diseases in Poland, and considered that the work had been very successful, having regard to the paucity of funds available. He pointed out that the difficulties were increased by the present economic situation in Russia, and begged the Committee to pass a resolution asking the Governments of the League to grant adequate subsidies. On the motion of Mr Wellington Koo, a resolution was adopted to the effect that the Assembly be asked to recommend that the organisation of the Epidemic Committees be continued, and, if necessary, extended to other countries, and that the Presidents of the Assembly and the Council should be asked to issue a special appeal to Members of the League for further contributions.

148. In presenting the Committee's report to the Assembly, M. Ador (Switzerland) said that out of the money promised by various States only 120,000*l.* had actually been paid, France being among the countries which had not yet contributed, and that meanwhile the Epidemics Committee set up to administer these funds had been able materially to improve the working of the health organisation in Poland. The resolution referred to above was then passed unanimously. (Appendix II, Resolution No. 5.) *Action by the Assembly.*

The International Co-ordination of Intellectual Work.

149. This was a matter which the Assembly had decided to take up last year (*vide* paragraph 71 of the Indian Delegates' Report). The Committee expressed approval of a draft resolution prepared by M. Bourgeois (France), which had been put forward by the Council, and which was to the effect that a Committee should be set up "to examine international questions regarding intellectual co-operation and education," which should submit to the next Assembly a report on measures that might with advantage be taken by the League to promote international co-operation with regard to intellectual work.

The Committee resolved that this special Committee should consist, as proposed by M. Bourgeois, of not more than 12 members, to be selected by the Council, and on the proposal of the Norwegian Delegate it was decided to indicate that these members might include women. In the resolution as approved by the Committee, a reference to methods of education, which had been proposed in the Bourgeois draft, was omitted, as it was thought undesirable to create the impression that the League was anxious to interfere with national educational systems.

150. Professor Gilbert Murray (South Africa) who was appointed to put the matter before the Assembly, presented the Committee's report at the plenary meeting on the 22nd September, and indicated in the course of his speech that action for the co-ordination of intellectual work would be specially valuable in three main respects:—(1) for the protection of intellectual workers who in many countries had been reduced to a condition of great distress; (2) for the practical advancement of knowledge, which had been seriously impeded by the war; (3) for the spread of the international spirit. *Action by the Assembly.*

This resolution was carried unanimously. (Appendix II, Resolution No. 4.)

Eastern Galicia.

151. On the 27th September the Assembly adopted without discussion a resolution asking for expedition on the part of the Allied and Associated Powers on the subject of determining the status of Eastern Galicia originally proposed by Mr Doherty (Canada) and approved with slight alterations by Committee No. V. (Appendix II, Resolution No. 11.)

Work of Committee No. VI (Political Questions.

Admission of New States to the League.

152. The candidates were Esthonia, Latvia and Lithuania—who were not admitted last year on the ground that their internal conditions were at the time very uncertain and that the League could not well protect them in the event of Russian re-vindication—and Hungary.

The Committee now thought that the time had come for the full admission of the three States first-named, which had been permitted last year to join the League's technical organisations, and this recommendation was endorsed by the Assembly.

153. As regards Hungary, the Hungarian emissaries present in Geneva decided to ask that their application for admission should be postponed till next year, and this was a wise course to take as at the recent Assembly Hungary's application would certainly have been rejected in view of her attitude in regard to the territories she was to cede to Austria and other treaty obligations. (Appendix II, Resolution No. 17.)

Albania.

154. The Committee sitting of the 26th September was devoted to a rather stormy discussion, in which the protagonists were the Albanian and Serbian delegates, as to the situation in Albania.

The Albanian delegate (Bishop Fan Noli) had proposed that the League of Nations should request the principal Governments concerned to compel the Serbs to withdraw from Albanian territory they occupied in defiance of the boundaries fixed in 1913 ; that a commission should be sent to report on the situation on the spot : and that the League should use its influence to obtain *de jure* recognition of the Tirana Government.

Mr. Fisher (Great Britain) indicated that the actual delimitation of the frontiers of Albania had been referred to the Conference of Ambassadors, that the British view was that their decision when announced would be binding, and that the Greek and Serb-Croat-Slovene Governments had bound themselves to accept this decision, but the Albanian Government had not done so. He urged Bishop Fan Noli to follow the example of his neighbours. The Marquis Imperiali (Italy) agreed with Mr. Fisher that the Conference of Ambassadors alone was competent to deal with this frontier delimitation. Lord Robert Cecil proposed two resolutions, *viz.*, that the Assembly should (1) recommend to Albania acceptance of the decision that would be come to by the Supreme Council on the report of the Ambassadors Conference, and (2) should request the Council of the League, after the decision of the Supreme Council had been given, to appoint forthwith a commission of three impartial persons to proceed to Albania and report as to the execution of this decision. M. Reynald (France) and M. Frangulis (Greece) opposed this latter resolution, but after some discussion it was carried, as also the first.

Lord Robert Cecil also obtained approval to a suggestion that representations should be made in respect of speedy decision by the Ambassadors Conference in regard to the territorial disputes between Albania, Greece, and the Serb-Croat-Slovene State.

tction by the ssembly.

155. These resolutions were presented by Lord Robert Cecil to the Assembly on the 3rd October, with a supplementary resolution that, in order to provide for the expenses of the Committee of Enquiry proposed, the sum of 100,000 gold francs should be provided in the budget of 1922. There was

considerable discussion, in which the representatives of Albania, Italy, Serb-Croat-Slovene State, Greece, France, and Mr. Balfour took part, and the Greek delegate (M. Casangis) proposed that to the Committee of Enquiry should be added representatives of Greece, Albania, and Serbia. This amendment was, however, withdrawn on the appeal of Lord Robert Cecil, who pointed out that the addition of interested parties was not likely to help the Commission to speedy and impartial decisions. The resolutions were then adopted, with the proviso that that relating to the vote of credit must be further considered in connection with the discussion of the Budget. (Appendix II, Resolution No. 20.)

Famine in Russia.

156. On the 9th September Dr. Nansen moved the following resolution in the Assembly :—

"That the Assembly refer to a Committee the question of the present famine in Russia.

"That the Committee consider whether it is advisable for the Assembly (1) to make a pressing appeal to the Governments to provide the necessary credits, and (2) to invite the Council to offer the services of the Organisation for International Credits (established by the Council of the League in connection with the Ter Meulen scheme) to act as trustee for the financial control of any credits made available and for the supervision of any security provided by the Russian Government against such credits."

In a speech which he made in introducing the resolution, Dr. Nansen said that the action of the International Conference held at Geneva on the 15th August in appointing him High Commissioner for Relief Work in Russia had enabled him to study the situation on the spot. He had satisfied himself that the condition of famine in the affected districts had not been exaggerated, and that an expenditure of 30*l.* million was needed in order to obtain the necessary grain supplies from outside Russia. He considered that adequate control could be exercised, both over relief supplies and credits advanced to Russia, by the Western Governments.

157. The resolution was referred to Committee No. VI, which reported on the subject to the Assembly on the 30th September.

The report was introduced by M. Motta, who stated that although the Committee could not adopt the suggestions contained in Dr. Nansen's resolution, it had decided that it could not remain indifferent or abstain from all action. As regards the question of official credits, the Committee considered that as the Supreme Council had appointed an International Relief Committee, to meet at Brussels on 6th October, which would contain representatives of 27 Governments, including the United States of America and Germany, the League should not take up a question which was to be decided by another body. In the matter of the agreements which had been concluded between Dr. Nansen and the Soviets, the Assembly was not competent to do more than affirm its confidence in Dr. Nansen. On the other hand, the Committee had decided that it was necessary to address an appeal to public opinion and to the charitable organisations of the world; that it was desirable to call attention to the claims for relief of Armenia, Azerbaidjan, and Georgia; and that Governments might help by surrendering military stores of clothing and provisions accumulated during the war. M. Motta also associated himself with two supplementary resolutions proposed by Lord Robert Cecil, the first a motion of confidence in Dr. Nansen, and the second expressly disengaging the responsibility of the League for Russian relief in view of the statement made by several delegates to the effect that their Governments would not grant official credits.

Dr. Nansen mourned eloquently over the defeat of his resolution, which he said had not been proposed in order to strengthen appeals to private charities, which needed no such spur. It was a disastrous mistake to throw the burden upon these organisations, which could not cope with the situation. The American organisation was feeding 3,000,000 children; the Pope had given a million

lire; the "Save the Children Fund" could feed a quarter of a million; and the Second International at Amsterdam had contributed 10,000,000 marks. But this was not enough. The Governments of Norway, Sweden, Esthonia, Latvia and Lithuania had already acted, and he was convinced that the people of Europe would compel their Governments to revise their present decision. Unless this were done the Brussels Conference could effect nothing. His agreement with the Soviets had been criticised, but if no help were forthcoming until a Committee of Enquiry had been sent into Russia and a new agreement drawn up, then that help would come too late.

M. Spalaikovitch (Serb-Croat-Slovene State) then proposed the following amendment to the Committee's resolution:—

"The Assembly most severely condemns the economic and political system of the Soviet Government and holds it chiefly responsible for the present catastrophe in Russia and for the attempt to conduct a criminal propaganda with the object of causing similar catastrophes in other countries."

Mr. Fisher begged that this might be withdrawn, and by way of propitiation proposed to substitute the following for Lord Robert Cecil's motion of confidence in Dr. Nansen:—

"The Assembly has no sufficient information as to the influences by which the Soviet Government is moved, or as to the conditions under which it is working, but it considers that Dr. Nansen's successful repatriation of prisoners of war augurs well for any enterprise he may be prepared to undertake for the relief of famine-stricken regions in Armenia, Azerbaidjan, Georgia and Russia.

Both Lord Robert Cecil and M. Spalaikovitch agreed to this, and the resolution was passed by the Assembly, together with the resolutions put forwarded by the Committee and the further resolution proposed by Lord Robert Cecil, and referred to above, which emphasised that the main reason why the Assembly could take no official action was because delegates had stated that their Governments could not give credits. (Appendix II, Resolution No. 16).

National Home for Turkish-Armenians.

158. A resolution moved in the Assembly by Professor Gilbert Murray, urging the Council of the League of Nations to press upon the Supreme Council the necessity, when peace was finally made between the Turks and the Allies, for safeguarding the future of Armenia and providing the Armenians with a national home independent of Turkish rule was adopted by Committee No. VI, and unanimously passed in the Assembly on the 21st September, though M. Bourgeois (France) held that this matter was outside the competence of the Assembly, and even of the Council of the League, and asked to make a reservation on this point. The resolution as passed by the Assembly is printed in Appendix II (Resolution 3).

Mandates.

159. The Committee also considered a resolution moved by Lord Robert Cecil in respect of Mandates which ran as follows:—

"The Assembly regrets the delay which has taken place in the definition of the Mandates, recognises that the Council is not responsible for that delay, and is of opinion that it would be desirable that the Mandates of the A and B classes should be forthwith defined." (For definition of A, B and C Mandates, *see* the Indian Delegation's Report of last year, paragraph 146.)

The consideration of this motion was referred to a Sub-Committee on which the representatives of the British Empire were Lord Robert Cecil himself, Mr. Fisher and Mr. Doherty (Canada).

tion by Assembly.

160. The report of the Sub-Committee, which was presided over by Dr. Nansen (Norway) was approved by the full Committee and considered by the Assembly at the sitting of the 23rd September.

The Sub-Committee's report fully endorsed the view taken in Lord Robert Cecil's resolution and proceeded to add various remarks. The principal of these were that—

(1) The Committee felt it would be premature to press for immediate action in respect of A Mandates, but that B Mandates, which are founded on the Treaty of Versailles, might be more expeditiously dealt with.

(2) It was consequently desirable that the Council should at the earliest possible opportunity formally approve the application of the mandate system to Togoland and the Cameroons, and adopt in principle the declaration signed by the representatives of the French and British Governments on 10th July 1919, as to the respective spheres which are to be placed under the authority of each Government.

(3) It was desirable that the Assembly should invite the Council to state that it is satisfied by its perusal of the draft Mandates that, generally speaking, the principles there laid down carry out the objects which the Covenant has in view, and lay down adequate safeguards for the rights of all Members of the League; and that the Council should express its confidence that Mandatory Powers will continue the administration of the territories committed to their charge in the spirit of the draft Mandates, till it becomes possible to have their Mandates definitely regularised.

Some discussion took place on this, and Lord Robert Cecil, who had been a member of the Sub-Committee, said that personally he would like to see stronger provisions under the B Mandates in regard to the abolition of slavery, the liquor traffic and land. He also had some misgivings as to the provisions of the draft Mandates for Togoland and the Cameroons, which appeared to allow the Mandatories in effect to treat these territories as an integral part of their dominions, but he admitted that there appeared to be no breach of Article 22 of the Covenant. He had associated himself with the report of the Sub-Committee, instead of submitting a minority report, on receiving assurances from the representatives of Great Britain, France and Belgium that their Governments would raise no objection to an examination of reports on the mandated territories by the Mandates Commission set up by the Assembly last year, pending definite regularisation of the situation.

It was then proposed that the Assembly should endorse the Committee's report, and after discussion this was carried unanimously. M. Bourgeois (France) indicated, however, that, while it was the desire of the Council to carry out the work in connection with Mandates as far as possible, he must enter a *caveat* against any action which might prejudice the negotiations going on between the United States and the principal Allied Powers. The Assembly's resolution is printed in Appendix II (Resolution No. 9), and the Committee's report in Appendix III (Annex 11).

Miscellaneous Questions dealt with in Full Assembly.

Poland and Lithuania.

161. On the 24th September the Assembly took up a whole day, morning and afternoon, in a discussion on the Polish-Lithuanian question in respect of Vilna, etc. This had been debated by the Council on the 19th and 20th, and on the latter day there had been the innovation of the Council's debate being in public. That meeting had been signalised by a very striking and eloquent speech by Mr. Balfour, in which he strongly criticised the action of the two litigants in evading real decision on the proposals of M. Hymans, who, with their consent, had been appointed by the Council to try to obtain agreement between them. Reading between the lines, his criticism was mainly directed against Poland, as the chief sinner by reason of the fact that General Zeligowski is still in possession of Vilna with the evident connivance of the Polish Government.

The Council had passed a resolution to the effect that they unanimously accepted M. Hymans' second draft scheme, which did not differ in principle from the first, the underlying idea of both being that Vilna should be assigned to Lithuania but on a separate cantonal basis; and that as the Assembly was in session, M. Hymans would be asked to explain to them the present position of the dispute "in order that the Assembly may by its authority contribute to a settlement of the question."

M. Hymans made a very fine speech, explaining at length the phases of the negotiations and the difficulties he had encountered from both parties, and he appealed to both to make sacrifices in the cause of peace.

He was followed by M. Miloscz for Lithuania, who said that his Government were ready to accept, with some modifications, M. Hymans' latest final scheme but that the dispute could not be ended till General Zeligowski had evacuated Vilna.

M. Askonasy (Poland) made a very lengthy oration on behalf of his country, but the general impression of the Assembly was well summed up by Lord Robert Cecil, who indicated that the old sympathy of the world with Poland had been materially reduced by the evident connivance of her Government in the Zeligowski *coup d'état*. He proposed a resolution with a rider suggested by M. Zahle (Denmark), urging the two peoples to come to an agreement, and extending the support of the Assembly to the Council in their handling of the matter. (Appendix II, Resolution No. 10.)

Repatriation of Prisoners of War.

162. Dr. Nansen (Norway) read a report on his operations in regard to the repatriation of prisoners of war, in which he stated, *inter alia*, that he had received financial support from various Governments to the extent of 425,000*l.*, Great Britain having been the most liberal contributor, and that as against these funds some 380,000 people had been returned to their families, many of them from remote parts of the old Russian Empire where communications were exceedingly difficult. He paid tribute to the effective co-operation of the Soviet and German Governments.

A Universal Language.

163. A recommendation, signed by 13 Delegates, including His Highness the Maharao of Kutch, presented to the Assembly a resolution for the encouragement of Esperanto as an universal language. (A similar resolution was put forward last year and rejected—*vide* paragraph 70 of the Indian Delegation Report on the work of last year's Assembly.) It was decided to postpone the consideration of the question. (Appendix II, Resolution No. 42.)

The Election of the non-permanent Members of the Council.

164. This matter was dealt with at the Assembly meeting on the 5th October, after the Report of Committee No. I on Article 4 of the Covenant had been considered and approved (*vide* paragraph 38).

It followed that the Assembly was morally bound by its own action to re-elect the existing non-permanent States. But as a formal election was necessary, it was decided that this might be by collective voting for all four States instead of by a ballot for one State at a time as last year. The result was the re-election of Brazil, Spain, Belgium and China.

Concluding remarks.

165. The Assembly broke up on the evening of the 5th October. The work done this year was of a quite solid and useful nature, and the League obtained a considerable amount of prestige by the reference to its Council of the solution of the Upper Silesian question. Whether that prestige will be maintained depends, of course, on the working out in practice of the Council's partition scheme. The coping stone was laid, by the election of judges, to the Tribunal of International Justice, and useful decisions were taken in regard

to technical organisations, and with reference to the traffic in women and children, while the question of the reduction of armaments was discussed in a more practical manner than in 1920, though it was felt that no great progress could be made pending the results of the conference at Washington. The Assembly felt itself unable to follow up Dr. Nansen's request for Government credits for the alleviation of the famine in Russia, but expressed full sympathy with his philanthropic crusade.

As regards matters in which India was specially concerned, we obtained complete satisfaction in the matter of the Assembly's redraft of the Council's resolution on the subject of opium; we made ourselves materially felt in Committee IV, and obtained some reductions in expenditure, and the adoption of a resolution as to paying greater attention to representation of nationalities, our own included, in the League Secretariats. We had also the satisfaction of seeing the adoption of the proposal that the Indian Delegation made last year, which was then rejected, for an outside Committee of Control over the estimates and accounts of the Secretariat and the International Labour Bureau. As regards allocation of contributions, we have had for the time being (subject to the ratification of our Government) to accept a provisional scheme in substitution of the Postal Union Scale, which burdens India more than the latter did, but we have obtained, though not in such a definite form as we should have wished, the principle that this scheme is only provisional and that it ought to be replaced by a better.

Our relations with the Dominions representatives, though very friendly, were not so close as last year, as we were at variance over the allocation scheme.

As last year, we received valuable assistance on occasion from the British Delegation and were specially indebted to Mr. Balfour for kindly advice and endeavour to reconcile differences when these arose, as in regard to the allocation scheme, between ourselves and some of the Dominions. As last year again, the delegates of India all worked together in the most cordial and harmonious way.

W. S. MEYER.
MAHARAO KHENGARJI OF KUTCH.
V. S. SRINIVASAN.

LONDON,
25th November 1921.

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APPENDIX I.

List of States represented and of their Delegates. (Many Delegations were also accompanied by Substitute Delegates other than those mentioned in this List and numerous Expert Advisers.)

ALBANIA.—Mgr. Fan S. Noli (Member of Parliament). M. Midhat Frasheri (Member of Parliament, President of the Albanian Delegation in Paris). M. Michel Hil Mosi (Member of Parliament).

Substitute and Secretary-General.—Dr. Benoit Blinishti (Member of the Albanian Ministry of Foreign Affairs).

AUSTRALIA.—Captain Stanley Melbourne Bruce, M.C. (Member of Parliament). Mr. Malcolm Lindsay Shepherd, I.S.O. (Acting High Commissioner in Great Britain).

AUSTRIA.—M. Albert Mensdorff-Pouilly-Dietrichstein (former Ambassador).

Deputy Delegate.—M. Emeric Pflugl (Resident Minister).

BELGIUM.—M. Paul Hymans (former Minister of Foreign Affairs, Minister of State). M. P. Poullet (former President and Member of the House of Representatives). M. Henri La Fontaine (Vice-President of the Senate, President of the Union of International Associations). M. Henri Rolin (Assistant Legal Adviser at the Ministry of Foreign Affairs).

BOLIVIA.—M. Carlos Victor Aramayo. Dr. Demetrio Canelas.

BRAZIL.—M. Gastao da Cunha (Ambassador at Paris). M. Raoul Fernandes (Member of the Federal House of Representatives). M. Cincinato da Silva Braga (Member of the Federal House of Representatives).

BRITISH EMPIRE.—The Right Hon. A. J. Balfour, O. M., M. P. (President of the Privy Council). The Right Hon. H. A. L. Fisher, M.P. (Minister of Education). The Right Hon. Sir J. Rennell Rodd, G.C.B., G.C.M.G., G.C.V.O.

BULGARIA.—M. Alexandre Stambolisky (Prime Minister, Minister of Foreign Affairs). M. Stephane Panaretoff (Minister Plenipotentiary at Washington). M. Svétoslav Pomenow (Chargé d'Affaires at Berlin).

CANADA.—The Right Hon. Charles Joseph Doherty, M.P. (Minister of Justice). The Hon. Sir George H. Perley, K.C.M.G. (High Commissioner in London).

CHILE.—His Excellency M. Agustin Edwards (Envoy Extraordinary and Minister Plenipotentiary in Great Britain). M. Manuel Rivas-Vicuna (Envoy Extraordinary and Minister Plenipotentiary). M. Jorges Valdes-Mandeville (Chargé d'Affaires in Switzerland). Lieut.-Col. Manuel Bülnes (Military Attaché).

CHINA.—Dr. Vikyuin Wellington Koo (Envoy Extraordinary and Minister Plenipotentiary in London, Representative on the Council of the League of Nations). M. Tang Tsai-Fou (Envoy Extraordinary and Minister Plenipotentiary at Rome). Dr. Wang Chung-Hui (President of the Supreme Court of China).

COLOMBIA.—Dr. Francisco José Urrutia (Envoy Extraordinary and Minister Plenipotentiary in Switzerland and Spain). Dr. Antonio José Restrepo (Barrister for the Republic in the Colombo-Venezuelan Arbitration).

COSTA-RICA.—M. Manuel de Peralta (Minister at Paris).

CUBA.—Señor Cosme de la Torriente (Senator, President of the Commission of Foreign Affairs, Member of the Hague Arbitral Tribunal, former Minister Plenipotentiary, former Minister of Foreign Affairs). Dr. Arístides de Aguero y Bethancourt (Minister Plenipotentiary in Germany). Señor Guillermo de Blanck (Minister Plenipotentiary in Switzerland and Holland).

Deputy Delegate and Secretary.—Dr. Miguel Angel Campa (Minister Plenipotentiary in Japan).

CZECHO-SLOVAKIA.—Dr. Edouard Benes (Minister of Foreign Affairs). Dr. Cyrill Dusek (Minister of Czecho-Slovakia in Switzerland). Dr. Stefan Osusky (Minister of Czecho-Slovakia at Paris).

Substitutes.—Dr. Robert Flieder (Chargé d'Affaires in Vienna). M. Pavel Barácek-Jacquier (Councillor of Legation). Dr. Jan Reisser (Councillor of Legation). Dr. Ivan Krno (Councillor of Legation).

DENMARK.—M. Herluf Zahle (Chamberlain, Envoy Extraordinary and Minister Plenipotentiary in Stockholm, Member of the Permanent Court of Arbitration). Dr. Laüst Moltesen (Member of Parliament, Doctor of Philosophy). Dr. P. Munch (Member of Parliament, Doctor of Philosophy).

Substitutes.—M. Andréas de Oldenburg (Envoy Extraordinary and Minister Plenipotentiary at Berne). Count Bent Holstein (Member of Parliament, Barrister at the Court of Appeal). M. J. Borgbjerg (Member of Parliament).

FINLAND.—M. Charles Enckell (Minister Plenipotentiary at Paris). M. Rafael Waldemar Erich (Envoy Extraordinary and Minister Plenipotentiary, Professor at the University of Helsingfors, former Prime Minister). M. Emile Einar Book (Director-General of the Department for Social Affairs).

FRANCE.—M. Léon Bourgeois (President of the Senate, French Representative to the Council of the League of Nations). M. René Viviani (Member of the Chamber of Deputies, former Prime Minister). M. Gabriel Hanotaux (Member of the French Academy, former Minister of Foreign Affairs).

Substitutes.—M. Georges Marie Reynald (Senator). M. Georges Noblemaire (Member of the Chamber of Deputies). M. Maurice Sibille (Member of the Chamber of Deputies). M. Jean Hennessy (Member of the Chamber of Deputies).

Deputy Delegate.—M. Richard William Martin (Minister Plenipotentiary).

GREECE.—M. Georges Baltazzi (Minister of Foreign Affairs). M. Démètre Panas (Minister at Bucarest). M. G. Streit (former Minister of Foreign Affairs).

Deputy.—M. Dendramis.

Substitutes.—M. Stélio Seferiades (Professor of International Law). M. Const. Kajandjis (Governor-General of Eastern Macedonia). M. Antoine F. Frangulis (Resident Minister).

HAITI.—M. Dante S. Bellegarde (Minister at Paris).

INDIA.—Sir William Stevenson Meyer, G.C.I.E., K.C.S.I. (High Commissioner for India). His Highness the Maharao of Kutch, G.C.S.I., G.C.I.E. The Right Hon. V. S. Srinivasa Sastri.

ITALY.—M. Vittorio Scialoja (Senator, Professor at the Royal University of Rome). Marquis Guglielmo Imperiali dei Principi di Francavilla (Ambassador, Senator). M. Carlo Schanzer (Vice-President of the State Council, Senator).

Substitutes.—M. Maggiorino Ferraris (Senator, former Minister). Prince Pietro Lanza di Scalea (former Member of the Chamber of Deputies, former Under Secretary of State for Foreign Affairs). Prince Alberto Giovanelli (former Member of the Chamber of Deputies).

JAPAN.—Baron Hayashi (Japanese Ambassador to Great Britain). Viscount K. Ishii (Japanese Ambassador to the French Republic). M. Minéitcirō Adatci (Japanese Ambassador to Belgium).

Substitutes.—M. S. Tatsuke (Minister in the Netherlands). M. A. Ariyoshi (Minister in Switzerland).

LIBERIA.—Baron Rudolph Auguste Lehmann (Chargé d'Affaires at Paris).

Substitute and Secretary.—M. Nicolas Ooms (Secretary of Legation in France).

LUXEMBURG.—M. Emile Reuter (Minister of State, Prime Minister). M. Antoine Lefort (Councillor of State).

NETHERLANDS.—Jonkheer H. A. van Karnebeek (Minister of Foreign Affairs). Jonkheer R. de Marees van Swinderen (Envoy Extraordinary and Minister Plenipotentiary in London, former Minister of Foreign Affairs). Professor A. A. H. Struycken (Member of the Council of State, Member of the Permanent Court of Arbitration).

Substitutes.—Professor M. W. F. Treub (Member of the Chamber of Deputies, former Minister of Finance, former Minister of Agriculture, Industry and Commerce). Jonkheer W. J. M. van Eysinga (Professor at the University of Leyden).

NEW ZEALAND.—The Right Hon. W. F. Massey, M.P. (Prime Minister). Colonel Sir James Allen, K.C.B. (High Commissioner).

NORWAY.—Dr. Nansen (Professor at the University of Christiania). M. O. Blehr (Prime Minister). M. Christian Michelet (Barrister, Member of Parliament, former Minister of Foreign Affairs).

Substitutes.—Dr. Christian Lous Lange (Secretary-General of the Inter-Parliamentary Union). Dr. Mikael H. Lie (Professor at the University of Christiania). Dr. (Miss) Kristine Bonnevie (Professor at the University of Christiania).

PANAMA.—Dr. Raoul Amador (Chargé d'Affaires at Paris).

PARAGUAY.—Dr. Hector Velázquez (Envoy Extraordinary and Minister Plenipotentiary). M. Montero.

PERSIA.—Prince Arfa-ad-Dovleh (Ambassador, former Minister of Justice). Emir Zoka-ed-Dovleh (Envoy Extraordinary and Minister Plenipotentiary of Persia in Switzerland).

POLAND.—Professor Simon Askenazy. M. Casimir Olszowski (Director at the Ministry of Foreign Affairs). M. Jean de Modzelewski (Minister Plenipotentiary in Switzerland).

PORTUGAL.—M. João de Mello Barreto (Minister for Foreign Affairs). M. Freire d'Andrade (former Minister for Foreign Affairs). M. Antonio Maria Bartholomeu Ferreira (Minister at Berne).

RUMANIA.—M. N. Titulesco (Minister of Finance). Professor Thomas Jonesco (Member of the Chamber of Deputies, Chancellor of the University of Bucarest). Professor Démètre Negulesco (former Member of the Chamber of Deputies, Professor of Law at the University of Bucarest).

Substitute.—Miss Helen Vacaresco.

SERB-CROAT-SLOVENE STATE.—Dr. Miroslav Spalaikovitch (Member of the Chamber of Deputies, former Minister of Foreign Affairs). Dr. Miloutine Yovanovitch (Minister Plenipotentiary at Berne). Professor Miléta Novakovitch (Professor at Belgrade University).

SIAM.—Prince Charoon (Minister at Paris, Representative to the League of Nations). Phya Bibadh Kosha (Minister at Rome, Madrid and Lisbon).

Substitutes and Secretaries.—M. Chune Charavastra (Secretary to the German-Siamese Mixed Arbitral Tribunal). M. T. L. Hoontrakool (Third Secretary to the Legation in Paris).

SOUTH AFRICA.—The Hon. Sir Edgar Harris Walton, K.C.M.G., High Commissioner in London, The Right Hon. Lord Robert Cecil, K.C., M.P. Professor George Gilbert Aimé Murray, M.A., LL.D.

Substitute.—Sir Henry Strakosch.

SPAIN.—Count de Gimeno (Senator, former Minister of Foreign Affairs). M. José Quiñones de León (Ambassador at Paris, Representative on the Council of the League of Nations). M. Emilio de Palacios (Under Secretary of State for Foreign Affairs, Envoy Extraordinary and Minister Plenipotentiary).

Substitutes.—Admiral Marquis Magaz. M. José de Yanguas (Member of the Chamber of Deputies, Professor at the University of Madrid).

SWEDEN.—M. Hjalmar Branting (Member of the Chamber of Deputies, former Prime Minister). M. Trygger (Senator, former Judge of the Supreme Court). M. Lofgren (Former Minister).

Substitutes.—Baron F. Ramel (Minister at Christiania). Madame Anna Bugge-Wicksell (Master of Law). Professor Oesten Unden (former Minister of Justice, Professor at the University of Upsal).

SWITZERLAND.—M. Giuseppe Motta (Federal Councillor, Head of the Federal Political Department). M. Gustave Ador (Former Federal Councillor, President of the International Red Cross Committee). M. Paul Usteri (Member of the Council of States).

Deputy Delegate.—M. Max Huber (Legal Adviser to the Federal Political Department, Professor of International Law at the University of Zurich).

URUGUAY.—M. Juan Carlos Blanco (Envoy Extraordinary and Minister Plenipotentiary at Paris, former Minister of Public Works). M. Pedro Manini Rios (Deputy, former Minister of the Interior, Professor at the Faculty of Law).

VENEZUELA.—Dr. Diogenes Escalante (former Consul-General, former Member of the Chamber of Deputies). Dr. Santiago Key-Ayala (former Adviser of the Ministry of Foreign Affairs). Dr. C. Parra-Perez (Chargé d'Affaires in Switzerland).

STATES NOT MEMBERS OF THE LEAGUE.

*ESTHONIA.—M. Antoine Piip (Minister of Foreign Affairs). M. Charles Robert Pusta (Minister Plenipotentiary at Paris and at Rome).

GEORGIA.—M. Nicolas Tcheidze (President of the Constituent Assembly). M. Constantin Sabakhtarichvili (Under Secretary of State for Foreign Affairs). M. Khariton Chavichvili (former Councillor of the Georgian Legation at Berne).

HUNGARY.—Count Albert Apponyi (former Minister, former speaker of the Chamber of Deputies).

*LATVIA.—M. Voldemar Salnaïs (Under Secretary of State to the Minister of Foreign Affairs). M. Michael Walters (Minister at Rome). M. Olgerd Grosvald (Minister at Paris).

*LITHUANIA.—M. Ernest Galvanauskas. M. Thomas Naruchevitch. M. O. U. de Milosz.

Substitute Representative.—M. V. Sidzi Kauskas.

*Admitted to full membership in the course of the session.

APPENDIX II.

Resolutions and Recommendations adopted by the Assembly in the course of its Second Session.

(NOTE.—The numeration and wording which follow are not necessarily those which may be ultimately adopted.)

1. APPOINTMENT OF A COMMITTEE TO CONSIDER MOTIONS SUBMITTED TO THE ASSEMBLY (13th September 1921).

The Assembly resolves that a Committee be appointed to advise the Assembly, should occasion arise, as to the inclusion in the agenda of motions submitted during the session.

2. PERMANENT COURT OF INTERNATIONAL JUSTICE (14th September 1921).

The Assembly, in accordance with Article 7 of the Statute of the Permanent Court of International Justice, and notwithstanding Article 21 of its Rules of Procedure, decides that the candidates whose names are included in the list drawn up by the Secretariat, in accordance with Article 7 of the Statute, shall be eligible for election at any ballot held by the Assembly in the course of the same sitting.

3. ARMENIA (21st September 1921).

Seeing that the First Assembly on 18th November 1920 entrusted the Council with the duty of safeguarding the future of Armenia;

And that the Council on 25th February 1921, while holding that the situation in Asia Minor made action for the time being impossible, entrusted the Secretary-General with the duty of watching developments in Armenian affairs with a view to procuring subsequent decisions by the Council;

And that in the meantime the Supreme Council in the revision of the Treaty of Sèvres, proposed to make provision for a national home for the Armenians;

Seeing, further, the probable imminence of a Peace Treaty between Turkey and the Allied Powers at no distant date;

The Assembly urges the Council to press upon the Supreme Council of the Allies the necessity of making provisions in this Treaty for safeguarding the future of Armenia, and in particular of providing the Armenians with a national home entirely independent of Turkish rule.

4. ORGANISATION OF INTELLECTUAL WORK (21st September 1921).

The Assembly approves the draft resolution put forward by M. Léon Bourgeois in the name of the Council: namely, the nomination by the Council of a Committee to examine international questions regarding intellectual co-operation, this Committee to consist of not more than 12 members, and to contain both men and women.

5. THE CAMPAIGN AGAINST TYPHUS IN EASTERN EUROPE (21st September 1921).

The Assembly resolves that, in view of the economical and successful results achieved by the League of Nations Epidemics Commission in reinforcing the preventive sanitary measures undertaken by the Polish Health Administration in the campaign against typhus, the work of the Commission be continued and extended to other countries as necessity arises, provided the Council considers it expedient.

To this end the President of the Assembly and the President of the Council are requested to issue a special appeal to the Members of the League for liberal financial support, and to ask those States which have not found it possible to make available the contributions which they so generously promised to do so as soon as possible.

6. REPORT OF THE ADVISORY AND TECHNICAL COMMITTEE ON COMMUNICATIONS AND TRANSIT (22nd September 1921).

(1) Without prejudice to the terms of paragraph 4 of section 1 of the Resolution of 9th December 1920, relating to the Organisation for Communications and Transit, the general Conferences on Communications and Transit shall meet as of right at the seat of the League on the request of one-half of the Members of the League. Such request shall be addressed to the Secretary-General of the League, and the object and the agenda of the Conference shall be attached to the request. It shall be the duty of the Secretary-General of the League to convene the Conference.

(2) The Assembly, having been informed of the Report of the Advisory and Technical Committee for Communications and Transit on the action taken by the Governments with regard to the resolutions adopted by the Conference on Passports, Customs' Formalities and "Through Tickets" which was held in Paris, October 1920, observed with the keenest satisfaction that a certain number of States have already put into force part of the measures—so important for international relations, and unanimously recommended by this Conference—tending towards the simplification of formalities connected with the obtaining of passports and visas, the reduction of passport prices, and the unification of passport regulations.

The Assembly draws the attention of all States, which have not yet been able to adopt the recommendations of the Conference, to the necessity of reconsidering the question and of informing the Secretary-General of the League of Nations of the solution ultimately reached.

(3) The Assembly proposes that the Members of the League of Nations should grant to the members of the various Committees of the League, during their period of office, every possible facility in the matter of passports, particularly with regard to the regulations affecting visas and the period of their validity.

(4) The Assembly takes note of the designation by the Advisory and Technical Committee for Communications and Transit of a railway expert (national of a riparian State of the Danube), and invites the Committee to proceed also, in its next session, to the designation of one or more than one other expert, specially qualified in the different matters dealt with by this Committee and nationals of other riparian States of the Danube.

7. Rules of Procedure of the Assembly (23rd September 1921).

The Assembly resolves that Rule 20 of the Rules of Procedure of the Assembly, as adopted on 14th November 1920, shall be amended to read as follows:—

"The Assembly shall vote by 'Appel Nominal,' except when the Members of the League of Nations represented at the meeting agree that the method of voting shall be by heads of Delegations rising in their seats, and except in the cases provided for in Rule 21. The 'Appel Nominal' shall be taken in one of the following manners as the Assembly may decide:—

(*a*) The name of each Delegation shall be called, and one of its members shall reply, 'Yes,' 'No,' or 'Not voting.' The result of the vote shall be recorded and announced to the Assembly; or

(*b*) The Delegation, etc." (as in the second paragraph of Rule 20).

8. Deportation of Women and Children in Turkey and the Neighbouring Countries (23rd September 1921).

The Assembly resolves:—

(1) That there shall be appointed in Constantinople a Commissioner of the League of Nations whose appointment shall be officially notified to the Allied and Associated High Commissioners, to the representatives of the other interested countries and Members of the League, to the Turkish Government and to the ecclesiastical authorities of the deported populations, namely the Greek and Armenian Patriarchs;

(2) That the League request France, Great Britain and Italy to instruct their High Commissioners to constitute themselves as a Committee, whose duty it will be to concert action with a view to giving all possible assistance and powers to the League of Nations' Commissioner, for the carrying out of his duties;

(3) That there shall be established, under the Commissioner of the League, a mixed Board to deal with the reclamation of women and children. This Board shall be composed of the present Members of the League of Nations, Commission of Enquiry, with power to co-opt, in particular cases, a member of each interested nationality. This Board would look to the Allied Commissioners and to the co-operation of the Greek and Armenian Patriarchs for the necessary support in the carrying out of its decisions. The Assembly emphasises the desirability of encouraging the work of charity already being carried on in the different centres by various establishments;

(4) That the neutral house for the temporary reception and examination of women and children reclaimed from Turkish houses shall be reorganised and placed under the direct management and supervision of the Commission of Enquiry;

(5) That further neutral houses may be opened in other centres as circumstances permit.

9. MANDATES (23rd September 1921).

The Assembly, having considered the Report (A. 105, 1921) of 19th September 1921, addressed by the Sub-Committee on Mandates to Committee No. VI and endorsed by that Committee, resolves to approve the terms of that report (*see* Appendix III, Annex 11).

10. DISPUTE BETWEEN LITHUANIA AND POLAND (24th September 1921).

The Assembly, having heard the explanation of M. Hymans on the dispute between Poland and Lithuania, and having taken note of the resolution of the Council of the 20th September, expresses its warm appreciation of the skill and patience displayed by M. Hymans in the cause of peace, and thanks the Council for its action and assures it of the full support of the Assembly.

Appealing to their wisdom and to their common memories of the past, the Assembly calls upon the two peoples to reach an agreement, which is as necessary for them as for the peace of the world.

11. STATUS OF EASTERN GALICIA (27th September 1921).

The Assembly of the League of Nations expresses the wish that the Council of the League draw the attention of the Principal Allied and Associated Powers to the desirability of determining, at an early date, the status of Eastern Galicia.

12. ORGANISATION OF INTERNATIONAL STATISTICS (27th September 1921).

The Assembly :—

(1) Commends to the Technical Organisations of the League the conclusions of the Provisional Economic and Financial Committee for the purpose of avoiding overlapping in the enquiries undertaken by the various Sections. At the same time it invites the co-operation of the International Labour Office in the matter.

Nothing in this resolution shall prejudice any decision on the organisation of statistical work.

(2) Decides that statistics in the scientific sense will not be undertaken by the League as long as the question of the organisation of international statistics has not been decided, and that this question is entirely deferred until the next session.

(3) It is understood that the League of Nations will make use, wherever expedient, of the data obtainable from existing international statistical offices and organisations without affecting in any way their autonomy.

The title of the "Bulletin" published by the League should indicate that it does not contain original statistics, but consists of figures collected from other statistical sources.

13. REPORTS OF THE PROVISIONAL ECONOMIC AND FINANCIAL COMMITTEE (28th September 1921).

Whereas the Assembly has considered :—

(*a*) The section of the "Report to the Second Assembly on the work of the Council and on the measures taken to execute the decisions of the First Assembly," which deals with the work of the Provisional Economic and Financial Committee since its entry upon its functions until the session of August-September 1921;

(*b*) The Report presented to the Council by the Provisional Economic and Financial Committee upon its work during the session held at Geneva in August-September 1921, which has been communicated to the Assembly by the Council;

(*c*) The Report dealing with "Certain Aspects of the Raw Materials Problem,"[1] presented by the Economic Section of the Provisional Economic and Financial Committee in accordance with the Council's Resolution of 27th October 1920, which has also been communicated to the Assembly by the Council:

And has noted with satisfaction the decisions taken by the Council on 19th and 21st September 1921 :—

(1) The Assembly *notes* that the constitution of a definite Economic and Financial Advisory Committee, as contemplated by the Resolution of the *first Assembly dated* 9th December 1920, on *the economic organisation of the League,* is not imperative during the forthcoming year, *in view of the fact that the Provisional Economic and Financial Committee will continue its work till the next Assembly, as provided in the Council's Resolution of 19th September 1921.*

[1] *See* Appendix III (Annex 1).

(2) The Assembly *notes that it is* of the greatest importance that the Provisional Economic and Financial Committee should carry out the programme of work indicated in the Reports mentioned above, including the study of the following questions: double taxation, the monetary situation, unfair competition, monopolies, *distribution of raw materials*, unification of legislation relating to bills of exchange, commercial methods designed to obviate the risks arising from fluctuations of the exchanges.

(3) *The Assembly notes that the Council has requested the Provisional Economic and Financial Committee to consider the report upon the meaning and scope of the provision relating to the equitable treatment of commerce contained in Article 23 (e) of the Covenant. Taking account of the wishes formulated by the Conference of Barcelona, the Assembly expressses the confident hope that the Committee will direct and pursue its work, in co-operation with the Advisory and Technical Committee on Communciations and Transit, in the manner best calculated to facilitate the earliest and most general application possible of the principle in question.*

(4) *The Assembly notes that the Council, with the advice of the Provisional Economic and Financial Committee, will entertain any application that may be received from States which feel the need of technical advisers on financial or economic administration.*

(5) The Assembly agrees that it *will probably not be* necessary to convoke at an early date a general Conference for the study of the principal financial and economic questions; *it* approves the proposal whereby the Council, if it considers it desirable, may, with the advice of the Provisional Economic and Financial Committee, convoke *restricted* consultative conferences for the examination of special problems.

(6) The Assembly regrets that the work of the reconstruction of the finances of Austria in which the Provisional Economic and Financial Committee has been called upon to co-operate has been delayed for *reasons which it hopes will shortly be removed.*

(7) *The Assembly, having had brought to its notice the continuing gravity of the exchange crisis and its dangerous effects upon the economic position and the conditions of labour of the working classes, invites the Provisional Economic and Financial Committee to carry on urgently its enquiries from various Governments as to the measures taken to ensure the application of the Resolutions of the Brussels Conference; the Assembly further invites the Committee to investigate, in accordance with the Governments' suggestions and as speedily as may be, all practical proposals which may be made for the completest possible application of these Resolutions.*

In particular, the Assembly agrees to the proposal that the work of organising the International Credits Scheme should be pursued in the manner set out in the Report submitted by the Provisional Economic and Financial Committee to the Council.

The Committee is further invited to consider, as a matter of urgency, the measures necessary for the adaptation of the system of international credits to the various situations of different countries.

(8) The Assembly commends to the consideration of the Members of the League the general conclusions of the Report on Certain Aspects of the Raw Materials Problem, including those calling attention to the effects that may be produced on the economic life of other countries by artificial restrictions and duties on the export of essential raw materials.

(9) The Assembly, recognising the intimate connection between the restoration of transport facilities and the supply and distribution of raw materials, expresses the earnest hope that every effort will be made to expedite the work of the various Commissions charged with such matters as re-allocation and interchange of rolling-stock in certain parts of Europe.

(10) The Assembly invites the Advisory and Technical Committee on Communications and Transit to consider the desirability of action being taken, under the provision which empowers the Council to call partial or regional Conferences to consider special matters, with a view to promoting the improvement of facilities for intercommunication and transport between those States whose transport systems have specially suffered from disorganisation.

14. Traffic in Women and Children (29th September 1921).

The Assembly, having taken into consideration the Final Act of the Conference of Geneva on Traffic in Women and Children, approved by the Council, expresses the wish that those of its provisions which require conventional form, be adopted in that form by the Members of the League with the least possible delay. For this purpose the Assembly recommends that the Delegates who have the necessary full powers to sign the Draft Convention annexed,[1] should sign it without delay, and that those who do not yet possess them be invited to communicate immediately with their respective Governments in order to obtain the necessary powers to sign.

15. Traffic in Opium (30th September 1921).

I. The Assembly concurs in paragraphs 1, 2, 4 and 5 of the Resolution adopted by the Council on 28th June 1921[2] as follows:—

(1) That States which are Members of the League and have not signed or ratified the International Opium Convention be invited to do so as soon as possible.

[1] *See* Appendix III (Annex 10).

[2] *See* Appendix III (Annex 9).

(2) That the Netherlands Government be requested to continue its efforts to secure ratification of the International Opium Convention by those States which are not Members of the League.

(3) (Paragraph 4 of the Resolution of the Council.) That, in order to carry out the obligations under Articles 3 and 5 and under Article 13 of the International Opium Convention, the Governments which are parties to the Convention be invited to adopt the following procedure:—

> "Every application for the export to an importer of a supply of any of the substances to which the Convention applies shall be accompanied by a certificate from the Government of the importing country that the import of the consignment in question is approved by that Government and is required for legitimate purposes.
>
> In the case of drugs to which Chapter III of the Convention applies, the certificate shall state specifically that they are required solely for medicinal or scientific purposes."

(4) (Paragraph 5 of the Resolution of the Council.) That the special attention of the Contracting Powers having Treaties with China be invited to the provisions of Article 15 of the International Opium Convention, so that the most effective steps possible should be taken to prevent the contraband trade in opium and other dangerous drugs.

II. The Assembly confirms the second recommendation passed by the Advisory Committee on Traffic in Opium during its session of 2nd-5th May 1921, as follows:—

(5) That a report should be made annually to the League by each country which is a party to the Convention, on the execution in its territory of the provisions of the Convention, with statistics of production, manufacture and trade.

III. The Assembly adopts the following additional recommendations presented by its Fifth Committee:—

(6) The Assembly concurs in paragraph 3 of the Council's Resolution of 28th June 1921, on the understanding that the enquiries undertaken will be of a scientific character and that, when they apply specifically to any particular country, they will be made through, or with the consent of, the Government of that country.

(7) The Assembly recommends to the Council that, in paragraph 5 of the latter's resolution dated 28th June 1921, it should also draw the attention of the Government of China to Article 15 of the International Opium Convention.

(8) The Assembly recommends to the Council that the enquiry referred to in paragraph 7 of the latter's resolution dated 28th June 1921 should be extended to include all opium the consumption of which may be considered legitimate, and that to this end the word "strictly" be omitted, and the word "legitimate" be substituted for "medicinal and scientific." It further recommends to the Council the omission of the reference to prepared opium, that is to say, to opium prepared for purposes of smoking, the complete suppression of which is provided for in Chapter II of the Convention.

(9) The Assembly recommends to the Council that the different Governments be invited, where they see no objection, to furnish to the Secretariat, in addition to the official annual report, any information concerning the illicit production, manufacture or trade in opium, or other dangerous drugs which they think likely to be useful to the League in the execution of its task.

(10) The Assembly recommends the Council to consider whether all nations specially concerned in either the growth or manufacture of opium or other dangerous drugs should not be represented on its Advisory Committee.

(11) The Assembly urges those States Members of the League[1] which have not yet signed and ratified the Opium Convention to do so as soon as possible.

(12) In order to facilitate the execution of the Convention, the Assembly urges all States Members of the League which are parties to the Convention to signify to the Secretariat as soon as possible their acceptance of the fourth recommendation of the Advisory Committee relating to the requirement of importation certificates.

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[1]The following Members of the League have not yet ratified the Opium Convention of 1912 nor signed the Protocol of 1914:—

Albania.	Esthonia.	Paraguay.
Argentine.	Finland.	Persia.
Chile.	Latvia.	Salvador.
Colombia	Lithuania.	Switzerland.
Costa Rica.		

The following have ratified the Convention, but not signed the Protocol of 1914:—

Denmark. Venezuela.

(13) The Assembly recommends the Council to request the Advisory Committee to extend their investigations to include not only the drugs mentioned in the Convention of 1912, but also all dangerous drugs of whatever origin which produce similar effects, and to advise as to the desirability of convoking a further international conference of States which are parties to the Convention, as well as States Members of the League of Nations, with a view to drawing up a Convention for the suppression of the abuse of such drugs.

16. Relief Work in Russia (30th September 1921).

After having heard the Report of its Committee and the statement by Dr. Nansen—to whose activity and devotion it is happy to pay tribute—and after having taken note of the generous appeal of His Holiness Pope Benedict XV, on behalf of the famine-stricken regions of Russia, the Assembly of the League of Nations adopts the following Resolutions:—

1. The Assembly considers it an urgent necessity to combat the famine in Russia; it further considers that all efforts should be encouraged which, like the Geneva Conference, aim at alleviating this scourge.

The Assembly addresses a pressing appeal to private organisations in order that the efficacy of the common endeavour may be assured by a close co-ordination of all the efforts devoted to this cause.

The Assembly further expresses a desire that the Governments of all countries may interest themselves in the efforts of their national associations and should grant them, to the greatest possible extent, such material and moral support as they may need.

2. The Assembly considers that relief work should be extended to include all the regions of former Russia which are visited by famine, without forgetting the populations of the territories of the Republics of Armenia, Georgia and Azerbaidjan.

3. The Assembly has not sufficient information as to the influences by which the Soviet Government are moved or the conditions under which they are working, but it considers that Dr. Nansen's successful repatriation of prisoners of war augurs well for any enterprise he may be prepared to undertake for the relief of famine-stricken regions in Armenia, Azerbaidjan, Georgia and Russia.

4. In view of the statements made by members of the Committee on behalf of their Governments to the effect that these Governments do not think that under present circumstances they can grant official credits, the Assembly is of opinion that this fact settles for the time being this side of the matter, and disengages the possible responsibility of the League of Nations.

Nevertheless, the League does not disinterest itself in so grave a problem and in the efforts which are being made to solve it. It will rest with the Council of the League to take up the question, should circumstances so demand, and should it consider that its intervention could prove both useful and effective.

5. The Assembly notes that an International Conference has been summoned to meet at Brussels on 6th October in order to consider the problem of the famine raging in Russia, and the means of remedying it by the concerted action of Governments and private associations.

The Assembly expresses the hope that the authorised representatives of the Governments may consider the most expedient means of coping with the financial difficulties of this problem. Amongst the forms of relief which the Governments might afford, the Assembly would urge the importance of gifts in kind from the liquidation of war stocks.

6. The Assembly considers that the Committee of the League of Nations formed to combat epidemics should be invited to co-operate with the associations which have undertaken the campaign against infectious diseases in Russia and the Caucasus.

7. The President of the Assembly is requested to transmit to His Holiness Pope Benedict XV a copy of resolutions mentioned above in the hope that he may find therein a proof of the profound appreciation with which the League of Nations received the message in which His Holiness begged to draw the attention of the representatives of the Governments assembled in Geneva to the unhappy plight of the famine-stricken areas in Russia and the urgency of alleviating and rendering them assistance.

The Assembly takes this opportunity of expressing to His Holiness its warmest gratitude for so generous an action, which manifests once again the anxiety with which His Holiness ever proceeds in the alleviation of all suffering.

17. Admission of Hungary to the League (30th September 1921).

The Assembly of the League of Nations, having noted a letter dated 26th September 1921, sent by the Head of the Hungarian Delegation in the name of his Government, and requesting the Assembly to be good enough to postpone its decision on the request for the admission of Hungary and all procedure relative thereto, to its next session, resolves to accede to this request and to place the question of the admission of Hungary into the League on the agenda of its next session.

18. Organisation of the Permanent Secretariat and of the International Labour Office (1st October 1921).

The Assembly, having taken note of the Report of the Fourth Committee, approves the views there set forth and expresses its gratitude to M. Noblemaire and his colleagues of the Committee of Experts for their arduous and most useful work (*see* Appendix III, Annex 4).

19. Reduction of Armaments (1st October 1921).

The Assembly thanks Mr. Branting, Chairman of the Third Committee, and the Rapporteur, Lord Robert Cecil, for their valuable work. It is convinced of the urgent necessity of passing beyond the stage of the enunciation of principles and of proceeding to carry them into practical effect. The Assembly, therefore, approves the report and the following resolutions submitted by the Third Committee with reference to the reduction of armaments :—

1. That it is desirable that the Temporary Mixed Commission should be asked to continue the work which it has begun.

2. That the Temporary Mixed Commission be asked to make proposals on general lines for the reduction of national armaments which, in order to secure precision, should be in the form of a draft treaty or other equally definite plan, to be presented to the Council, if possible, before the Assembly next year.

In order to enable the Temporary Mixed Commission to accomplish this task, the Council should be asked to strengthen the Temporary Mixed Commission.

3. That a statistical investigation be made with regard to the armaments of the various countries upon the lines indicated in the body of the Report of the Third Committee.

4. That the Temporary Mixed Commission be requested to continue the examination of the question of the private manufacture of armaments and the trade in arms..

5. That the Council be requested to invite all the Members of the League and interested States which are not Members of the League to take part in an International Conference on the private manufacture of arms and the trade in arms, which should meet as soon as possible at a date to be fixed under the responsibility of the Council. It is considered highly desirable that this date should be prior to the next session of the Assembly.

The Temporary Mixed Commission should be entrusted with the task of preparing the programme of the Conference, and of submitting to it a draft Convention.

6. That the urgent importance of ratifying the Convention at the earliest possible moment be strongly impressed on all the States signatories to the Arms Traffic Convention of St. Germain, whether Members of the League of Nations or not, and that at the same time all non-signatory States be invited to adhere to the Convention.

The Assembly expresses its earnest desire that the importance of this subject may be strongly urged at the forthcoming Conference on Disarmament at Washington.

7. The Assembly, taking note of the view expressed in the Report of the Temporary Mixed Commission on the Reduction of Armaments with regard to the desirability of making provision for excluding the import of arms and ammunition in time of peace from countries in which the traffic is uncontrolled, invites the Council to prepare a draft protocol for this purpose for the consideration of the various Governments. At the same time it expresses the earnest hope that this procedure will not in any way be permitted to delay the general ratification of the Convention of St. Germain.

The steps that may eventually have to be taken for the destruction of the surplus stocks of munitions may be considered by the Temporary Mixed Commission.

8. That, subject to the conditions set out in the recommendation of the First Assembly, the recommendation that Members of the League should undertake not to exceed for the next two financial years following the present year the sum total of expenditure on military, naval and air forces provided for in the budget of that year, be again forwarded to all Members of the League, together with a statement showing the replies already received to this recommendation.

9. That the Temporary Mixed Commission be asked to examine—in consultation with the Permanent Advisory Commission—whether it is advisable to address an appeal to the scientific men of the world to publish their discoveries in poison gas and similar subjects, so as to minimise the likelihood of their being used in any future war.

10. That it is desirable that propaganda in favour of the reduction of armaments, as contemplated in the Covenant, should be carried out with earnestness and conviction among all nations.

11. In pursuance of the Third Resolution of the First Assembly, the Assembly is of opinion that the Secretariat should be asked to complete the organisation of the Section of the Secretariat dealing with the question of the reduction of armaments, and that this Section should have a directorship of its own, or other equivalent official organisation, quite separate from and, if necessary, in addition to, those already proposed by the Fourth Committee of the Assembly.

20. Albania (3rd October 1921).

1. The Assembly, having considered the appeal of Albania to the Assembly, dated 29th June 1921, and the reference by the Council to the Assembly of the allegation by Albania against the Serb-Croat-Slovene State, dated 2nd September 1921:

Recognising the sovereignty and independence of Albania as established by her admission to the League:

Taking note of the fact that the Serb-Croat-Slovene State and Greece have recognised the Principal Allied and Associated Powers as the appropriate body to settle the frontiers of Albania:

Understanding that the Principal Allied and Associated Powers are very near agreement on the question submitted to them:

Recommends Albania now to accept the forthcoming decision of the Principal Allied and Associated Powers.

2. The Assembly, further, taking note of the allegations of Albania against nationals of the Serb-Croat-Slovene State and of the allegations of the Serb-Croat-Slovene State against certain tribes and individuals in Albania:

Taking note also of statements made that there is serious unrest in Southern Albania and Northern Epirus:

Requests the Council forthwith to appoint a Commission of three impartial persons, to proceed immediately to Albania and to report fully on the execution of the decision of the Principal Allied and Associated Powers, as soon as it is given, and on any disturbances which may occur on or near the frontier of Albania. The Commission should have power to appoint observers or other officials being impartial persons to enable it to discharge its functions.

3. In order to provide for the carrying out of the above decision, the Secretary-General is instructed to include the sum of 100,000 gold francs in the budget of the League for the fourth fiscal period (1922), it being understood, however, that, before any of the said appropriation be expended, a detailed estimate shall be submitted to the Council of the League and shall be approved by it.

21. Financial Administration of the League (4th October 1921).

Recommendation I.

The Assembly of the League of Nations requests the Council to continue to regulate the finances of the League of Nations in the spirit of the principles contained in the Assembly Recommendation of 17th December 1920, as modified by the following Articles, and by the recommendations laid down in the Report of the Fourth Committee on the administration of the finances of the League of Nations.[1] Further, the Assembly requests the Council to prepare for the annual session of the Assembly of 1922, a final resolution regarding the administration of the finances of the League of Nations.

Article 1.—The Assembly recommends the Council to appoint a Committee of Control of three or five members, one of whom at least shall be a financial expert. The Council shall select the Committee from amongst the Members of the League of Nations, in such a way as to include Members of the League which are not represented on the Council.

Draft budgets and other documents contemplated in Articles 1 and 2 of the Recommendation adopted on 17th December 1920 shall be submitted to the Committee of Control before being submitted to the Council. The Draft Budget of the International Labour Organisation shall be laid before the Committee of Control by four members of the Governing Body, two of whom might be selected from the delegates of Governments, one from employers' delegates and one from the workers' delegates. The Governing Body shall decide whether the Director or Deputy Director of the International Labour Office shall be added to the Delegation.

A representative of the Governing Body shall be authorised to attend, in an advisory capacity, any meetings of the Assembly that deal with the Budget. It is, of course, understood that the representative in question cannot rise to speak except on the invitation of the President.

The Appropriation Officers, whether members of the Secretariat or of the International Labour Office, shall be responsible to the Committee of Control.

Article 2.—Article 6 of Recommendation II, adopted by the First Assembly on 17th December 1920, shall read as follows:—

"Expenditure can only be incurred by virtue of a warrant signed by the Secretary-General or one of his deputies duly authorised thereto. This warrant shall mention the fiscal period and the appropriation to which the expenditure is charged, and cannot be given until the official appointed for the purpose (Appropriation Officer) has certified that the proposed expenditure is represented in the Budget by a corresponding credit. Unforeseen expenditure, however, can only be incurred under Article 25 of the general budget for 1922 if it is authorised by a special Resolution of the Council, which must be immediately communicated to all the

[1] *See* Appendix III (Annex 8).

Members of the League of Nations. During the year 1922 transfers from one item to another of the same chapter can be effected by virtue of a special Resolution of the Council, which must be immediately communicated to all the Members of the League of Nations."

Article 3.—The following sentence shall be added to Article 7 of Recommendation II, adopted by the First Assembly:—

"Additions to this fund, which may not exceed 5,000,000 gold francs, cannot be made except with the approval of the Assembly. If the fund exceeds 5,000,000 gold francs, the excess shall be carried forward to the credit of the next financial period. The International Labour Organisation may continue to obtain, if necessary, assistance from the Working Capital Fund proportionately to its budget."

Article 4.—Insert in Article 9, of Recommendation II, adopted by the First Assembly, after the word "auditors," "and to the Committee of Control."

Article 5.—Article 10 of Recommendation II, adopted by the First Assembly, shall read as follows:—

"Three months before the annual session of the Assembly, the Committee of Control and the auditors shall present to the Council, or in the case of the International Labour Organisation, to the Governing Body, a joint report on the correctness, etc."

Recommendation II.

The Resolution of the Council of 2nd September 1921, authorising the Secretary-General to request the States which are not Members of the League of Nations, but which form part of the technical organisations of the League, to pay their share of the expenses of the technical organisations in which they participate, from the beginning of the fourth financial year of the League (1922), should be incorporated in the final regulations of the financial administration of the League.

Resolution I.

In virtue of Article 12 of the Recommendation II of the First Assembly on the administration of the finances of the League of Nations, the Assembly of the League of Nations finally passes the expenditure and income accounts for the second fiscal period, terminating on 31st December 1920.

Resolution II.

The Assembly of the League of Nations, in accordance with Article 4 of Recommendation II, adopted by the First Assembly, on the administration of the finances of the League of Nations accepts for the fiscal period 1922 the General Budget of the League and the Budget of the International Labour Office, which will be published in the *Official Journal*.

22. The Economic Weapon (4th October 1921).

The Assembly adopts the following resolutions:—

1. Subject to the special provisions of Article 17, the economic measures referred to in Article 16 shall be applicable only in the specific case referred to in this Article.

2. The unilateral action of the defaulting State cannot create a state of war; it merely entitles the other Members of the League to resort to acts of war or to declare themselves in a state of war with the Covenant-breaking State; but it is in accordance with the spirit of the Covenant that the League of Nations should attempt, at least at the outset, to avoid war, and to restore peace by economic pressure.

3. It is the duty of each Member of the League to decide for itself whether a breach of the Covenant has been committed. The fulfilment of their duties under Article 16 is required from Members of the League by the express terms of the Covenant, and they cannot neglect them without breach of their Treaty obligations.

4. All cases of breach of Covenant under Article 16 shall be referred to the Council as a matter of urgency at the request of any Member of the League. Further, if a breach of Covenant be committed, or if there arise a danger of such breach being committed, the Secretary-General shall at once give notice thereof to all the Members of the Council. Upon receipt of such a request by a Member of the League, or of such a notice by the Secretary-General, the Council will meet as soon as possible. The Council shall summon representatives of the parties to the conflict and of all States which are neighbours of the defaulting State, or which normally maintain close economic relations with it, or whose co-operation would be especially valuable for the application of Article 16.

5. If the Council is of opinion that a State has been guilty of a breach of Covenant, the Minutes of the meeting at which that opinion is arrived at shall be immediately sent to all Members of the League, accompanied by a statement of reasons and by an invitation to take action according. The fullest publicity shall be given to this decision.

6. For the purpose of assisting it to enforce Article 16, the Council may, if it thinks fit, be assisted by a *technical* Committee. This Committee will remain in permanent session as soon as the action decided on is taken, and may include, if desirable, representatives of the States specially affected.

7. The Council should fix the date on which the enforcement of economic pressure under Article 16 is to be begun, and should give notice of that date to all the Members of the League.

8. All States must be treated alike as regards the application of the measures of economic pressure, with the following reservations :—

(*a*) It may be necessary to recommend the execution of special measures by certain States;

(*b*) If it is thought desirable to postpone, wholly or partially, in the case of certain States, the effective application of the economic sanctions laid down in Article 16, such postponement shall not be permitted except in so far as it is desirable for the success of the common plan of action, or reduces to a minimum the losses and embarrassments which may be entailed in the case of certain Members of the League by the application of the sanctions.

9. It is not possible to decide beforehand, and in detail, the various measures of an economic, commercial and financial nature to be taken in each case where economic pressure is to be applied.

When the case arises, the Council shall recommend to the Members of the League a plan for joint action.

10. The interruption of diplomatic relations shall, in the first place, be limited to the withdrawal of the heads of Missions.

11. Consular relations may possibly be maintained.

12. For the purposes of the severance of relations between persons belonging to the Covenant-breaking State and persons belonging to other States Members of the League, the test should be residence and not nationality.

13. In cases of prolonged application of economic pressure, measures of increasing stringency may be taken. The cutting off of the food supplies of the civil population of the defaulting State shall be regarded as an extremely drastic measure which shall only be applied if the other measures available are clearly inadequate.

14. Correspondence and all other methods of communication shall be subjected to special regulations.

15. Humanitarian relations shall be continued.

16. Efforts shall be made to arrive at arrangements which will ensure the co-operation of States non-members of the League in the measures to be taken.

17. In special circumstances and in support of economic measures to be taken it may become advisable : (*a*) to establish an effective blockade of the seaboard of the Covenant-breaking State ; (*b*) to entrust to some Members of the League the execution of the blockade operations.

18. The Council shall urge upon all the States Members of the League that their Governments should take the necessary preparatory measures, above all of a legislative character, to enable them to enforce at short notice the necessary measures of economic pressure.

II.

The Assembly resolves that :

1. The latter part of the first paragraph of Article 16 of the Covenant shall read as follows :—

> " . . . which hereby undertake immediately to subject it to the severance of all trade or financial relations, the prohibition of all intercourse between persons residing in their territory and persons residing in the territory of the Covenant-breaking State, and the prevention of all financial, commercial or personal intercourse between persons residing in the territory of the Covenant-breaking State and persons residing in the territory of any other State, whether a Member of the League or not."

2. The second paragraph of Article 16 shall read as follows :—

> " It is for the Council to give an opinion whether or not a breach of the Covenant has taken place. In deliberations on this question in the Council, the votes of Members of the League alleged to have resorted to war and of Members against whom such action was directed shall not be counted."

3. The third paragraph of Article 16 shall read as follows :—

> " The Council will notify to all Members of the League the date which it recommends for the application of the economic pressure under this Article."

The fourth paragraph of Article 16 shall read as follows : —

"Nevertheless, the Council may, in the case of particular Members, postpone the coming into force of any of these measures for a specified period where it is satisfied that such a postponement will facilitate the attainment of the object of the measures referred to in the preceding paragraph, or that it is necessary in order to minimise the loss and inconvenience which will be caused to such Members."

III.

The resolutions and the proposals for amendments to Article 16 which have been adopted by the Assembly shall, so long as the amendments have not been put in force in the form required by the Covenant, constitute rules for guidance which the Assembly recommends, as a provisional measure, to the Council and to the Members of the League in connection with the application of Article 16.

23. Conditions of Voting on, and Ratification of Amendments to the Covenant (3rd October 1921).

1. *Recommendation.*—In order immediately to meet the objections expressed by certain Delegates with regard to the procedure permitting the Assembly to vote amendments by a majority, the Assembly recommends to the Delegations that no resolution of amendment shall be passed during this session unless it receives a three-fourths majority, in which there shall be included the votes of all the Members of the Council represented at the meeting.

2. *Procedure.*—The Assembly considers that it is most desirable that the vote on the proposed amendment to Article 26 shall be unanimous, in order that this vote may have all the authority that can be wished.

3. *Resolution of Amendment to Article 26.*—Article 26 of the Covenant shall read as follows :—

"Amendments to the present Covenant, the text of which shall have been voted by the Assembly by a three-fourths majority, in which there shall be included the votes of all the Members of the Council represented at the meeting, will take effect when ratified by the Members of the League whose representatives composed the Council when the vote was taken, and by the majority of those whose representatives form the Assembly.

If the required number of ratifications shall not have been obtained within 22 months after the vote of the Assembly, the proposed amendment shall remain without effect.

The Secretary-General shall inform the Members of the taking effect of an amendment.

Any Member of the League which has not at that time ratified the amendment is free to notify the Secretary-General within a year of its refusal to accept it, but in that case it shall cease to be a Member of the League."

Form to be given to the Resolutions on Amendments.

The following conclusions of the Committee were adopted unanimously without discussion :—

The First Committee has considered the form which should be given to resolutions of amendments adopted by the Assembly.

A large number of Members expressed the opinion that such resolutions in no way formed a draft convention, the product of a diplomatic conference, to which the representatives of the States would have to attach their signatures.

It seemed to them rather the outcome of deliberation on the part of the Assembly acting as an autonomous body in virtue of the competence conferred upon it by the Covenant.

According to this view, it is the Assembly's resolution which is subject to ratification by the States and not the signatures of their representatives. Moreover, the latter may not have voted in favour of the amendment ratified by the State which they represent. It would therefore seem sufficient that every resolution of amendment be drawn up in the form of an act by the Assembly, signed by the President and the Secretary-General.

But certain members of the Committee pointed out that such a procedure would violate the constitutional law of their States and would also conflict with diplomatic usage.

The Committee considered that, to avoid any difficulty on this point, it was desirable that the amendments should take the form of protocols, embodying the resolutions of amendment voted by the Assembly, signed by the President and the Secretary-General and also open to signature by plenipotentiaries. The Committee therefore proposes the form of protocol which is appended.

Draft Protocol to an Amendment.

Protocol to an Amendment to Article of the Covenant.

The Second Assembly of the League of Nations, under the Presidency of M. H. A. van Karnebeek, assisted by Sir Eric Drummond, Secretary-General, adopted at its meeting of the following resolution, being an amendment to Article of the Covenant.

[*Here follows the Resolution.*]

The undersigned, being duly authorised, declare that they accept, on behalf of the Members of the League, which they represent, the above amendment.

The present protocol will remain open for signature by the Members of the League: it will be ratified and the ratifications will be deposited as soon as possible with the Secretariat of the League.

It will come into force in accordance with the provisions of Article 26 of the Covenant:

A certified copy of the present protocol will be transmitted by the Secretary-General to all Members of the League.

Done at Geneva, on in a single copy, of which the French and English texts are both authentic and which will be kept in the archives of the Secretariat of the League.

(Signed) President of the Second Assembly.
Secretary-General.

For_____

For_____

24. Proposed Amendment or Article 18 (5th October 1921).

The Assembly, taking note of the proposal for the amendment of Article 18 contained in the Report of the First Committee, decides to adjourn further consideration of this amendment until the Third Assembly.

25. Proposed Amendment to Article 1 of the Covenant (5th October 1921).

The Assembly of the League of Nations, having noted the Amendment to Article 1 of the Covenant proposed by the Argentine Delegation on 4th December 1920: While appreciating the high motives which inspired the Argentine Republic in proposing this amendment:

Resolves that, in view of the regrettable absence of the Delegation of the Argentine Republic, and until the principle contained in its proposal can be accepted, any decision on the amendment moved by the Argentine Republic be postponed.

26. Situation of Small States (5th October 1921).

The Assembly of the League of Nations, having considered the report of its First Committee which had been requested to consider whether, and in what manner, it would be possible to attach to the League of Nations sovereign States which, by reason of their small size, could not be admitted as ordinary members:

Decides that in view of the difficulty of laying down in advance the conditions for the admission of these States, the different situations of which might necessitate different conditions; and in view of the possibility of associating immediately, to a great extent, the interested States in the work of the Assembly, without giving them membership, it is preferable to await the results of experience in this collaboration, before expressing an opinion upon the methods by which they might be admitted to the League.

27. Amendments to Articles 12 and 15 of the Covenant Proposed by the Norwegian and Swedish Governments (5th October 1921).

The Assembly of the League of Nations, having noted the amendments to Articles 12 and 15 of the Covenant proposed by the Norwegian and Swedish Governments introducing an obligation for all the Members of the League to establish permanent commissions of arbitration and conciliation, in such a manner that there would be one for

each State, for the investigation of disputes between that Member and each of the other Members:

Decides:

(1) Not to adopt the amendments to Articles 12 and 15 proposed by the Norwegian and Swedish Governments.

(2) To express its approval of the procedure of conciliation in conformity with the spirit of the Covenant.

(3) To invite the Council to appoint a Committee for the purpose of investigating the procedure of conciliation as outlined in the amendments put forward by the Norwegian and Swedish Governments, with a view to the formulation of a body of rules on the subject. That Committee would submit its report to the Council at a date which would enable the latter to present its conclusions at the next session of the Assembly.

28. Proposals regarding Article 21 of the Covenant (4th October 1921).

The Assembly of the League of Nations, having taken into consideration the report of its First Committee on the amendments to Article 21 of the Coven ant proposed by the Governments of China and Czecho-Slovakia:

Decides that Article 21 shall be retained in its present form. And takes note of the view expressed by the Committee that agreements between Members of the League tending to define or complete the engagements contained in the Covenant for the maintenance of peace or the promotion of international co-operation, may be regarded as of a nature likely to contribute to the progress of the League in the path of practical realisations.

Such agreements may also be negotiated under the auspices of the League of Nations, for example, in special conferenees, with its assistance.

29. Proposal regarding Article 10 of the Covenant (4th October 1921).

Whereas a motion has been submitted by the Canadian Delegation for the striking out of Article 10 of the Covenant:

Whereas widely different opinions have been expressed with regard to the legal bearing of this Article and its relationship to the other Articles of the Covenant, specially to Articles 12 to 17:

And whereas the legal and political arguments made, both in favour of, and against the striking out of Article 10 are of great weight:

The Assembly postpones the continuation of the examination of the proposal and the decision until its next session, and recommends that this proposal be decided before any other amendment.

30. Allocation of expenses of the League (5th October 1921).

I.—*Resolutions of amendments to Article 6 of the Covenant.*

The Assembly resolves:—

"(1) That the last paragraph of Article 6 of the Covenant shall be replaced by the following paragraph:—

"The expenses of the League shall be borne by the Members of the League in the proportion decided by the Assembly."

"(2) That the following paragraph shall be added to Article 6 of the Covenant as amended:—

"The allocation of the expenses of the League set out on Annex 3 shall be applied as from 1st January 1922, until a revised allocation has come into force after adoption by the Assembly."

"(3) That the following shall be inserted in the Annex to the Covenant:—

III.—*Allocation of the Expenses of the League.*

State.	Units Payable.	State.	Units Payable.	State.	Units Payable.	State.	Units Payable.
Albania	2	Costa Rica	2	Japan	65	Poland	15
Argentine	35	Cuba	10	Latvia	5	Portugal	10
Australia	15	Czecho-Slovakia	35	Liberia	2	Salvador	2
Austria	2	Denmark	10	Lithuania	5	Roumania	35
Belgium	15	Esthonia	5	Luxemburg	2	Serb-Croat-Slovene State.	35
Bolivia	5	Finland	5	Netherlands	15		
Brazil	35	France	90	New Zealand	10	Siam	10
British Empire	90	Greece	10	Nicaragua	2	South Africa	15
Bulgaria	10	Guatemala	2	Norway	10	Spain	35
Canada	35	Haiti	5	Panama	2	Sweden	15
Chile	15	Honduras	2	Paraguay	2	Switzerland	10
China	65	India	65	Peru	10	Uruguay	10
Colombia	10	Italy	65	Persia	10	Venezuela	5

II.—*Recommendation 1.*

"The Assembly recommends that, when a revised scheme of allocation of the expenses of the League has been adopted after consideration of the fresh recommendations of the Expert Committee, Members of the League which may, with effect from 1st January 1921, and up to the year for which the revised scheme is adopted, have paid more than they are called upon to pay under the operation of such scheme, should be entitled to a refund of the excess amount paid.

"Such refunds shall be made as surplus funds accrue and without prejudice to the maintenance of the working capital account of the League at its full normal figure."

Recommendation 2.

The Assembly, recognising that the proposals of the Expert Committee (A. 40, 1921) are still susceptible of improvements and adjustments after a more exhaustive investigation of the data, recommends that this Committee, so ably presided over by M. Reveillaud, be re-appointed by the Council to continue its work and, after taking account of the various factors not yet fully examined, to submit a further report indicating such modifications of the allocation provisionally accepted as it may deem equitable.

III.—*Resolution.*

In order to provide for the carrying out of the above decision, the Secretary-General is instructed to include the sum of 15,000 gold francs in the Budget of the League for the fourth fiscal period (1922), it being understood, however, that, before any of the said appropriation be expended, a detailed estimate shall be submitted to the Council of the League and shall be approved by it.

IV.—*Recommendation.*

The Assembly recommends the Council to see that the Committee charged with preparing a final scheme for the allocation of expenses shall present this table to the Assembly of 1923.

V.—*Resolution.*

The Assembly resolves that the following paragraph shall be added to Article IV of the Rules of Procedure of the Assembly:—

"No proposal for a modification of the allocation of expenses for the time being in force shall be inserted in the Agenda, unless it has been communicated to members at least four months before the date fixed for the opening of the session."

31. Amendment to the Rules of Procedure (5th October 1921).

The Assembly resolves—

That the following provision shall be added to the second paragraph of Rule 14 of the Rules of Procedure of the Assembly:—

> "Resolutions involving expenditure shall not, however, be voted by the Assembly before the Financial Committee has expressed its opinion on the advisability of the proposed expenditure with regard to general budgetary resources."

32. Election of the Non-permanent Members of the Council (6th October 1921).

1. The Assembly takes note of the conclusions of its First Committee:—

   (*a*) That the non-permanent Members of the Council should in future be elected according to a system of rotation for a fixed period, and that the Assembly should this year renew for the year 1922 the appointment of the present Members.

   (*b*) That, in the absence of any decision with regard to the number of the non-permanent members of the Council, it is inexpedient to lay down precise rulings, in consideration of the fact that at the election held next year account will be taken, both as regards the determination of the entire period of office for each member, and as regards the conditions of re-eligibility, of the period already spent in office as the result of previous elections.

II.—*Resolution of Amendment to Article 4.*

The Assembly resolves that the following paragraph shall be inserted between the second and third paragraphs of Article 4:—

"The Assembly shall fix by a two-thirds majority the rules dealing with the election of the non-permanent Members of the Council, and particularly such regulations as relate to their term of office and the conditions of re-eligibility."

33. COMMITTEE ON AMENDMENTS TO THE COVENANT (5th October 1921).

The Assembly, highly appreciating the work of the Committee on Amendments, which, under the able chairmanship of Mr. Balfour, has done the preparatory work for the proceedings of the First Committee, agrees that the Council can further refer to the consideration of this Committee the draft amendments which have been adjourned, also the proposed amendments which may be submitted to the next Assembly.

34. PROPOSED AMENDMENTS TO ARTICLE 3 OF THE COVENANT (4th October 1921).

The Assembly takes note that, in view of the considerations brought forward in the report of the Committee on Amendments and in the report of the First Committee of the Assembly, the Danish, Norwegian and Swedish Governments withdraw their proposed amendments to Article 3 of the Covenant.

35. PROPOSED AMENDMENTS TO ARTICLE 13 OF THE COVENANT (4th October 1921).

The Assembly, having considered the report of its First Committee on the amendments to Article 13 of the Covenant proposed by the Danish, Norwegian and Swedish Governments, decides that these amendments be not adopted.

36. ARTICLE 5 OF THE COVENANT. DEROGATIONS FROM THE PRINCIPLE OF UNANIMITY (5th October 1921).

The Assembly adopts the report of its First Committee on the amendments to Article 5 of the Covenant proposed by the Colombian and Netherlands Governments, and takes note that the Colombian and Netherlands Governments withdraw these proposed amendments.

37. HEALTH ORGANISATION (23rd September 1921).

The Assembly notes the measures taken by the Council to carry out so far as possible the Resolution of the first Assembly dated 10th December 1920, concerning the Health Organisation of the League of Nations.

In pursuance of the Covenant of the League of Nations and in order to facilitate the discharge by the League of the humanitarian duties and responsibilities which are placed upon it by the various treaties of peace and its own Resolutions, and pending the possibility of creating the Health Organisation contemplated by the Resolution of 10th December 1920, the Assembly of the League of Nations adopts in the following form the resolutions submitted to it by the Council:—

1. The Health Organisation of the League shall provisionally comprise a Health Committee which shall be entrusted with the functions detailed in the report of the Provisional Health Committee as adopted by the Council. The Secretariat of this Organisation shall be appointed by the Secretary-General of the League and be responsible to him, and shall be placed under a Medical Director.

The Assembly, in view of the urgency of the present international health situation, and, subject to consideration of a report to be submitted at the next session of the Assembly, accepts the constitution of the Provisional Health Committee proposed by the Council. But this decision is without prejudice to the power of the Assembly, admitted last year, to regulate the constitution of important Standing Committees of the League.

In view of the increasing importance of questions of health which more especially concern women, the Assembly invites the Council to take into consideration at an opportune moment the question of strengthening the Committee by including a medical woman, experienced in public health matters, qualified to advise on such questions.

2. The Epidemic Commission of the League of Nations shall form one section of the Health Organisation.

38. AMENDMENT TO ARTICLE 12 OF THE COVENANT (4th October 1921).

The Assembly resolves that Article 12 of the Covenant shall be amended to read as follows:—

"*Article 12.*—The members of the League agree that, if there should arise between them any dispute likely to lead to a rupture, they will submit the matter either to arbitration *or judicial settlement* or to enquiry by the Council, and they agree in no case to resort to war until three months after the award by the arbitrators *or the judicial decision*, or the report by the Council.

"In any case under this Article the award of the arbitrators *or the judicial decision* shall be made within a reasonable time, and the report of the Council shall be made within six months after the submission of the dispute."

39. Amendment to Article 13 of the Covenant (4th October 1921).

The Assembly resolves that Article 13 of the Covenant shall be amended to read as follows:—

"The Members of the League agree that, whenever any dispute shall arise between them which they recognise to be suitable for submission to arbitration *or judicial settlement*, and which cannot be satisfactorily settled by diplomacy, they will submit the whole subject-matter to arbitration *or judicial settlement*.

"Disputes as to the interpretation of a treaty, as to any question of international law, as to the existence of any fact which, if established, would constitute a breach of any international obligation, or as to the extent and nature of the reparation to be made for any such breach, are declared to be among those which are generally suitable for submission to arbitration *or judicial settlement*.

"*For the consideration of any such dispute, the court to which the case is referred shall be the Permanent Court of International Justice, established in accordance with Article 14, or any tribunal agreed on by the parties to the dispute or stipulated in any convention existing between them.*

"The Members of the League agree that they will carry out in full good faith any award *or decision* that may be rendered, and that they will not resort to war against a Member of the League which complies therewith. In the event of any failure to carry out such an award *or decision*, the Council shall propose what steps should be taken to give effect thereto."

40. Amendment to Article 15 of the Covenant (4th October 1921).

The Assembly resolves that the first paragraph of Article 15 of the Covenant shall be amended to read as follows:—

"If there should arise between Members of the League any dispute likely to lead to a rupture, which is not submitted to arbitration *or judicial settlement* in accordance with Article 13, the Members of the League agree that they will submit the matter to the Council. Any party to the dispute may effect such submission by giving notice of the existence of the dispute to the Secretary-General, who will make all necessary arrangements for a full investigation and consideration thereof."

41. Greater Publicity for the Proceedings of the Council (16th September 1921).

The Assembly welcomes the efforts which the Council has made to secure greater publicity for its proceedings, and hopes that still further progress in that direction may be possible in the near future.

42. Esperanto as an International Language (15th September 1921).

The Assembly, having noted a motion submitted by Lord Robert Cecil and signed by certain other delegates recommending the universal teaching of Esperanto in schools as an auxiliary international language;

Adopts the report of the Committee appointed to examine the propositions submitted to the Assembly, the conclusions of which are as follows:—

"The Committee are of opinion that this question, in which an ever increasing number of great States are interested, should be attentively studied before it can be dealt with by the Assembly. The question was referred to a Committee last year and a short report was submitted recommending that the Secretariat of the League should investigate the experiments already made, and ascertain the actual results attained.

"The Committee proposes that the question should be placed on the Agenda of the next Assembly and that the Secretariat of the League should in the meantime prepare a complete report, accompanied by the necessary documentation on the lines indicated in the draft resolution.

"In accordance with the wishes of the signatories, the report of Committee No. 2, dated 17th December 1920, and the report of the Under Secretary-General upon his mission to the Congress at Prague, will be transmitted to the Members of the League in due course."

APPENDIX III.

Reports of Committees of the Assembly and other connected Documents.

ANNEX 1.—*Report to the Council on certain aspects of the Raw Materials Problem by the Economic Section of the Provisional Economic and Financial Committee. (Communicated to the Assembly in accordance with the Council's Resolution dated the 21st September 1921.)*

By Resolution of the Council, dated 27th October 1920, the Economic Section of the Economic and Financial Committee were directed to make an enquiry and report, the nature and scope of which were defined by the Resolution in the following terms:—

"The Council has fully considered the difficulties experienced by numerous countries in assuring the import of raw materials essential to their welfare and even to their existence, and has requested the Economic Section of the Economic and Financial Committee to study:—

"(*a*) The extent and nature of these requirements;

"(*b*) The causes of these difficulties (other than those arising from lack of credit or fluctuation in the rate of exchange, which have already been considered by the Brussels Financial Conference); the effects of the existence of monopolies will be very specially considered.

"The Council invites the Committee to submit to it at the earliest possible moment a report on the results of its enquiry, a report which is indispensable for the further deliberations of the International Economic and Financial Conference."

The Economic Section at once endeavoured to obtain from the Governments of the various States, Members of the League, and also from certain important non-Members, the necessary data to enable them to furnish a report of the nature desired by the Council. In particular we sought information as to the existing and pre-war statistical position as regards certain specified raw materials and the estimated requirements of each country with regard to each of these materials during the ensuing year. We also made specific enquiries as to the effect of monopolies in causing difficulties of supply, and also as to the legislative régime prevailing in each of the countries with respect to restrictions on export and import, and the powers, if any, possessed by the various Governments or Courts of Justice to restrain abuses arising from monopolistic action. Such replies as have been received to these enquiries have been carefully examined, and the results so obtained have been supplemented by a mass of valuable material furnished to us by the Secretariat based partly on an examination of documents the collection of which it had entrusted to experts, and partly on personal investigation carried out in certain countries. These supplementary enquiries were carried out by Professor Gini, and the Economic Section desire to express their great indebtedness to Professor Gini and his collaborators for the very valuable assistance which they have given to them in the prosecution of their enquiry.*

The Economic Section interpret the intention of the Council to be that their enquiry should refer primarily to the abnormal conditions prevalent at or about the time when the Council's Resolution was passed. It is obvious that a detailed economic investigation of the requirements of all countries in respect of raw materials and of the factors which might cause difficulties in the supply or demand of such materials under every conceivable condition would be a task of enormous magnitude, which would occupy much time and which could lead to no immediate practical result.

We have, therefore, in the first place endeavoured to ascertain the position at the beginning of 1921. It is, however, matter of common knowledge that since that date the whole economic situation of the world has been revolutionised. Putting aside difficulties of credit and exchange, which are expressly excluded from our reference, the outstanding factor as regards raw materials is no longer the difficulty experienced by consuming countries in securing supplies, but the difficulty experienced by producing countries in finding outlets for their products.

The deficiency of supplies, which was the dominant feature of the period when the régime of control and restrictions prevailed, was followed by a deficiency of demand at the time when that régime came to an end. The return of freedom has, in fact, contributed to the fall of prices, which, in the case of several important raw materials, have returned to the level of the prices of 1914, expressed in dollars. Moreover, congestion of markets with products manufactured at too high a cost, and the collapse of consumption owing to these excessive prices and the general financial crisis, has caused producers to reduce their output at the very time when the supply and prices of raw materials have themselves tended to return to the normal. Thus a picture based on the situation at the beginning of the present year has no longer any resemblance to the situation with which the world is at present

* The portions of Professor Gini's general report which relate to the matters discussed in the present Report, together with the statistical statements on cotton, wool, coal, fertilisers, etc., prepared under Professor Gini's direction, will be published at an early date.

confronted, and, indeed, the interval between the sending out of our questionnaires and the receipt of the replies has been sufficient in many cases to make the results obsolete before they have been received.

In fact, though our investigation has been conducted as expeditiously as practicable, events have moved even faster than our enquiries, with the result that much of the material collected has lost its significance except for the purpose of an historical survey.

The rapid changes in the economic situation to which we have called attention have been partly responsible for the fact that we have been unable to obtain any authoritative estimates of the immediate requirements of the various States as regards essential raw materials. At a time when production has generally slackened, and is carried on with continual variations caused by the fluctuations in the market prices of raw materials, and the irregular demand due to the continual diminution and hesitating character of consumption, most official statisticians would be unwilling to hazard a conjecture on this subject, and, in fact, no reply has been forthcoming to the questions we have asked with a view to enabling us to fulfil paragraph (*a*) of our reference. Neither the enquiries conducted by the Economic Section, nor those which were entrusted to Professor Gini, have succeeded, owing to the prevailing conditions, in obtaining the data necessary to fill the blanks. On the other hand, no indication has been obtained of the existence, in any country about which we have obtained precise information, of an urgent need of raw materials which is in danger of remaining unsatisfied, at least through any deficiency of products. If, on the one hand, no State has been able to define by a figure its immediate wants, no State, on the other hand, has informed us that it has experienced any difficulties in supplying itself with any product owing to its scarcity. The statistical measurement of requirements being therefore impracticable under existing conditions, and no demand having been formulated for meeting those requirements, our task has consisted in collecting a mass of interesting statistical data, with regard to the pre-war, war, and post-war situation as regards the production, consumption, import and export of certain typical raw materials, including cotton, wool, coal, iron, mineral oil, fertilisers and cereals. But it is our duty to state clearly that no study of these data will in existing circumstances enable a reply to be furnished to paragraph (*a*) of our Reference.

Turning to paragraph (*b*) of our Reference, the first point to which we would direct attention is its limitation. We do not in any way complain of the reservation of questions of credit and exchange, which, as stated in the Council's resolution, had already been dealt with by the Brussels Financial Conference, and with which, if any second investigation were thought necessary, the Financial rather than the Economic Section of the Committee would be fitted to deal. But it is necessary to point out that, according to all the information which has reached us, any difficulties still experienced at the present time in obtaining supplies of essential materials are to a preponderant extent difficulties of credit and exchange.

In these circumstances we have considered carefully how we could best give practical assistance to the Council in attaining the objects at which it aimed when it entrusted us with the present enquiry. We conceive that these objects were practical rather than theoretic or historical, that they looked to the future rather than to the past, and that the aim was to promote the rehabilitation of countries suffering from the effects of the war rather than to institute a kind of litigation between States or to pass judgments on the motives and results of the respective policies adopted by them under stress of war and post-war conditions.

Some general acquaintance with what has taken place in the past is of course necessary for the purpose of throwing light on what may possibly recur in the future, but it has seemed to us unnecessary and inexpedient to adopt a course of enquiry which would have necessitated calling and sifting the evidence of numerous witnesses representing Governments and official and private organisations and persons, which, while unduly prolonging our enquiry and increasing its expense, could, we think, yield no fruitful result.

As a necessary consequence of this decision, we refrain in this report and in any supplementary memoranda which we may publish from expressing any but the most general opinions on the character of the war and post-war measures adopted by various countries.

Broadly speaking, the difficulties which were noted last year and which led to the Council's resolution were the result on the one hand of a real scarcity, general or local, in the supplies of raw materials as well as of a breakdown, no less real, in the transport system, and on the other hand, of a number of war or post-war measures tending to reserve certain raw materials wholly or in part to the countries of production, and also to limit and regulate their exportation so that their distribution was often artificial and their prices were usually abnormal. Whether owing to a deficiency of certain raw materials or to a legitimate apprehension that such a deficiency would arise, most producing and even consuming States created an artificial system as regards the quantities reserved or available for export, and even in certain cases as regards the internal and external prices. This was the régime which characterised the situation which the Council had to meet.

The sudden interruption of this artificial system, or the continued maintenance of certain hindrances, in spite of the market having been freed as regards the bulk of products, must be included among the important factors which still prejudice the supply of raw materials.

It must, however, be observed that the branches of the problem which the Council has excluded from our consideration, *viz.*, difficulties of credit and exchange, still remain unsolved. Difficulties of credit are at bottom symptoms and results of the devastating effects of the war in reducing the purchasing capacity and impairing the economic position of certain States. Difficulties of exchange may, however, be regarded as an independent cause of difficulty, since they spring primarily not from under-production of goods but from over-production of currency. The above brief statement of the nature of the disease appears to point to the general nature of the remedies to be considered.

(1) In the first place, it is true now as at the date when the present enquiry was launched that although the symptoms of the disease are different, the fundamental remedy is the systematic readjustment of production to meet post-war conditions. The exaggerated demand for certain raw materials and half-manufactured products during the war created a certain disproportion between production and actual requirements. Constant and scientific observation is therefore necessary in order to adjust the production of raw materials to the future requirements of the world, when the industries artificially created during the war have been subjected to the operation of natural selection and when consumption has returned to the normal. So much has been said and written on this subject that we do not feel that we can usefully add anything new, especially as important aspects of the problem (*e.g.*, limitation of hours or output) belong rather to the sphere of the International Labour Office than of our Committee.

(2) Only second in importance to the above is the restoration and improvement of transport facilities. In order to ensure the adequate supply of each country it is clearly necessary that the materials should not only be produced in adequate quantities at a reasonable cost, but that there should be sufficient means of transporting them without unreasonable delay or cost to the markets where they are required. In this respect the situation has greatly changed since the enquiry was undertaken. Maritime transport is no longer hindered by scarcity or congestion of shipping; indeed, the position has so changed that large quantities of shipping are laid up for want of goods to carry. Simultaneously (as we understand from the Transit and Communications Section, to which the subject appertains) there has been a considerable though much slower improvement as regards transport over those parts of the European railway system which were disorganised by the war. We do not propose in this report to give a detailed description of the European transport situation, parts of which were so grievously affected not only by the material destruction of the war, but also by the difficulties of allocation and repair of rolling-stock, and by the dismemberment of railway systems formerly worked as single units owing to the territorial changes under the Peace Treaties.

We wish, however, to express an earnest hope that every effort will be made to overcome the difficulties experienced by the various Commissions charged with such matters as the re-allocation and interchange of rolling-stock. We note that special provision is made in the constitution of the Technical Organisation of the League of Nations dealing with Communications and Transit for the calling of partial or regional Conferences to consider special matters. We venture to suggest to the Council that the Advisory and Technical Committee on Communications and Transit might be authorised to consider the desirability of the League taking the initiative at an appropriate moment, under the above provision, to promote the improvement of the facilities for intercommunication and transport between States whose transport systems have specially suffered from disorganisation.

(3) We next turn to the question of commercial restrictions as a factor in creating difficulties of supply of raw materials. We refer in particular to the restrictions or duties on the export of essential raw materials which formed an important feature of war policy, and which in many cases were continued during the period immediately following the armistice. These restrictions were of a kind which varied according to the countries and circumstances. We may summarise their development as follows. In the course of the war, in order to secure for themselves priority as regards their own resources or in some cases even to ensure their just distribution in accordance with the general interest at the time, certain countries took possession of all or part of their output of one or more raw materials. The forms which this reservation took were sometimes requisition, sometimes prohibition of export. The methods of allocation were either a system of licensing or of rationing. Whatever was the method adopted, the reservation thus effected exercised an influence on the price of the product. The exportable surplus, whether it was free for export or subject to a general or individual licence, represented a supply limited in relation to the actual demand. Sometimes, also, an export duty or differential export price increased the difference between the price prevailing in the producing country and the price to the foreign consumer. Sometimes, indeed, it was the foreign purchaser on whom fell the cost of the constitution of the reserve for the producing country, and the payment of an export premium. It is conceivable that measures of reservation justified in general by the needs or by the anxiety to secure supplies adequate to the needs of the producing country may have sometimes been transformed into fiscal measures or into measures of economic discrimination.

The artificial régime thus established could not in some cases be suddenly abandoned without intermediate stages intended for the progressive re-establishment of normal conditions. Until production resumed its normal condition the disposal of stocks was assured by forward sales at decreasing prices. But this artificial system has sometimes been as inconvenient as the sudden return to freedom.

Recent developments of raw materials policy have some lessons for the future.

There is no question of challenging the incontestable right which States have to dispose freely of their natural resources or of the output of their countries in respect of raw materials. It is legitimate that in exceptional circumstances they should be anxious to reserve them to themselves, and that they should have the power to subject them at any time to a régime in conformity with their natural economy.

But it is not less incontestable that raw materials produced by one country, being in many cases essential to the economic life of other States, should not, unless in exceptional cases, be the object of restrictions or of differential regulations of such a nature as to injure the production of such States, or to impose on them a systematic inferiority.

It is undesirable, particularly, that measures of restriction taken by producing countries to meet exceptional situations should be so prolonged or altered as to change their character, and from being acts of precaution or defence to degenerate into measures of economic aggression.

Doubtless as a general principle the tariff policy of States is one of their sovereign rights, and there are no doubt circumstances in which export duties or other restrictions may be necessary, *e.g.*, in cases where other sources of revenue are lacking, or where they are an indispensable element in the economic system. Nevertheless, it is undesirable as a matter of principle to employ measures of this kind under normal conditions as weapons of economic warfare.

This consideration is of importance since, in accordance with the law of economic interdependence, measures of differentiation produce reactions throughout the raw-materials market; measures of reservation taken by a producing country influence the demand on other producing countries where the normal conditions of supply and of prices are equally affected.

What we wish to do, without attempting to lay down any hard and fast rule, is to recommend caution in this matter, and in particular to invite the attention of the Members of the League to the broader aspects of the question as affecting international economic relations. It is not only measures of restriction or prohibition, including duties on export, which may entail grave consequences in this matter, but every artificial system which involves the risk of disorganising production, whether by its establishment or by its abolition.

(4) The effect of monopolies was particularly specified in our reference as a subject for enquiry, and accordingly in our questionnaire we specially invited the observations of each Government " with regard to the prejudice, if any, caused at the present time to the supply of the reasonable requirements of the population in respect of any essential commodity by the operation of any monopoly or combination relating to manufacture, sale, import, or export, either within or outside the country."

None of the replies received, however, included any observations in reply to this question, and the supplementary enquiries that have been made have not so far produced sufficient evidence to enable us to establish any direct connection between the operations of monopolies, and any of the difficulties of supply of raw materials which we were directed to investigate. In view, however, of the great importance of this branch of the subject, we propose to make further enquiries, particularly with the object of completing our information with regard to the legal and administrative means already available in each country for combating and controlling the action of monopolies when exercised in a manner contrary to the public interest. We hope to make a further report to the Council on this part of the subject.

(5) We have not hitherto made any mention of a scheme for the organisation of the supply of raw materials by means of an International Office, which has attracted considerable public attention, though it was not mentioned in our terms of reference, nor has any definite proposal for the purpose been submitted to us for examination. We have, however, had our attention called to the matter by a communication from the International Labour Office, enclosing a resolution adopted by the Miners' International Congress in March 1920, in favour of the establishment of an International Office " for the distribution of fuel, ores, and other raw materials essential to the renewal of the normal economic life of all nations."

While realising strongly the difficulties which the scheme is intended to solve, we are convinced that it is impracticable on the following grounds:—

(*a*) It would, in our opinion, be impracticable to obtain the general consent of the producing and consuming States to delegate the important functions contemplated by the scheme to an International body, and the League of Nations has no power of compelling its Members to enter into any such arrangement against their will.

(*b*) No scheme for the international control of the distribution of raw materials could be operated without fixing prices and allocating supplies on some principle of rationing. In our opinion, this necessarily involves the international control of the whole internal economic life of the countries concerned.

(*c*) No scheme of rationing is possible without the power of compelling the consuming countries to take up their rations and to pay for them, which is clearly impracticable under present conditions.

(*d*) There is no criterion by which an International Office could fix a reasonable ration of any raw material to be allowed to any country, except either on the basis of previous consumption (which would stereotype the existing distribution of industry) or on some arbitrary estimate of needs, which would empower the International Office to dictate the lines of future industrial development of all the States of the League.

(*e*) If all the above objections could be overcome the mere loss to productive industry from the inevitable inefficient operation of the bureaucratic machinery of the International Office would probably be fatal to the scheme.

(6) The next group of possible remedies, *viz.*, those designed to improve international credit and to rehabilitate exchanges, are expressly excluded from our reference, and the only point, therefore to which we venture to call attention in this connection is the possibility which has been suggested to us by Professor Gini as the result of his visit to certain countries whose finances have been disorganised by the war, that great assistance might be given by the League of Nations in the work of reconstructing the financial and economic position of those countries, if the Council were willing on the application of the Governments of such countries to nominate competent expert advisers, who could advise the Governments on such matters as currency, exchange, and financial and economic policy generally. The Economic Section, while alive to the practical difficulties involved in such a proposal, consider that it is one which merits the careful attention of the Council.

It would be necessary, of course, to take great care in the selection of the advisers, and to come to an understanding with the Government in question as to the conditions of their engagement. It will probably be found that the extent and value of the services which an adviser will be able to render will depend mainly on his personality, but it is essential to safeguard his position and independence by a suitable contract. It has been represented to us that some countries which would be unwilling, on grounds of prestige, to apply for advisers to particular Governments, may be willing and anxious to utilise the services of an international and impartial body like the League of Nations for this purpose, and in view of the fact that the financial administration of certain States is, at the present very critical time, in the hands of relatively inexperienced officers, we venture to think that an experiment in the direction indicated may be fruitful in good results. We may add that we do not propose that the League should incur any financial or other responsibility beyond the careful selection of the nominees. Should the Council see no objection to this proposal in principle, we suggest that it should be remitted to the Financial Section of our Committee to work out a detailed scheme. If in the meantime, as is possible, any definite application should be received by the Council for the nomination of a technical adviser for any of the States in question, we recommend that it should be sympathetically considered.

ANNEX 2.—*Report of the Third Committee to the Assembly concerning the Reduction of Armaments.*

The question of reduction of armaments was considered at the First Assembly, and it arrived at three resolutions and one recommendation on the subject. The third resolution, which was in some respects the most important, ran as follows :—

"The Committee, being convinced that the maintenance of peace demands the reduction of armaments, in accordance with the principles set forth in Article 8 of the Covenant and in the preamble of Part V of the Treaties of Peace of Versailles, Saint-Germain, and Neuilly, which declare that the disarmament of certain Powers signatory to those Treaties be provided for 'in order to render possible the initiation of a general limitation of the armaments of all nations' ;

"And associating itself with the pronouncement of the Supreme Council on 8th March last 'that, in order to diminish the economic difficulties of Europe, armies should everywhere be reduced to a peace footing, that armaments should be limited to the lowest possible figure compatible with national security, and that the League of Nations be invited to examine proposals to that end without delay' ;

"And with the Resolution of the International Financial Conference at Brussels, 'recommending most earnestly to the Council of the League of Nations the desirability of conferring at once, and agreeing with, the several Governments concerned, with a view to securing a general reduction of the crushing burdens which, on their existing scale, armaments still impose on the impoverished peoples of the world, sapping their resources and imperilling their recovery from the ravages of war' ;

"Realising, on the other hand, that a complete and comprehensive scheme of disarmament depends upon the following conditions : first, under the responsibility of the Powers signatory to the Treaties of Peace, upon the complete fulfilment of the reduction of armaments imposed by the abovementioned Treaties upon certain of these Powers : secondly, upon the exercise, as occasion may demand, of the right of investigation accorded by these Treaties to the Council of the League of Nations, in order to maintain this reduction ; and, lastly, on the collaboration of the other great military Powers which have hitherto remained outside the League :

"Invite the Council :—

"(*a*) To request the Permanent Advisory Commission for Military, Naval and Air Questions rapidly to complete its technical examination into the present condition of armaments ;

"(*b*) To instruct a temporary Commission, composed of persons possessing the requisite competence in matters of a political, social and economic nature, to prepare for submission to the Council in the near future reports and proposals for the reduction of armaments as provided for by Article 8 of the Covenant ;

"(*c*) To form within the Secretariat a section to serve as a centre of information for the Commission in question, and also as a channel for the publication and exchange of the information referred to in the Covenant;

"(*d*) To consider the mechanism by means of which the military information to be exchanged under the provisions of Article 8 of the Covenant can be verified in the event of the principle of mutual verification by Members of the League being confirmed by an amendment to the Covenant."

The action taken by the Council in pursuance of the definite proposals here made will be found in the report to the Second Assembly on the work of the Council at pages 75 to 81. It will be noticed that as to proposal (*a*) no practical result has been achieved. The Permanent Advisory Commission drew up a questionnaire on the subject, but the Council decided it was not desirable to send it out. It is now proposed that the matter should, to some extent, be dealt with in a different way. As to proposal (*b*) a good deal has been done. The Temporary Commission has been appointed as set out on pages 74 and 75 of the above-mentioned report. Unfortunately, owing to reasons into which it is not necessary now to enter, the Temporary Commission did not meet until 16th July of this year, and has consequently only been able to hold some five meetings, which has necessarily restricted the work it has been able to do. Still, even so, there is much that is valuable in its report. An examination of that document will show that the Commission has made certain recommendations which have been examined by this Committee, and they have dealt with them under the following heads :—

I —*Statistics.*

The Committee took note of the resolution adopted by the First Assembly in accordance with which the Assembly, while recognising that the *final and general limitation* of armaments is subordinate to certain preliminary conditions, expressed the wish that the first steps towards disarmament should be taken without delay.

One of the preliminary conditions is the ascertainment of the present military strength of the various States, and, consequently, it is necessary to carry out a statistical investigation which would bring into clear relief the ante-bellum and the present position of armaments. To this should be added such information of a military and budgetary nature as will allow of an accurate estimate being formed of the military power of the various States and of the measures which they may have already adopted for the reduction of their armaments. Nor must the position of each State from the point of view of its national security be overlooked.

The Committee therefore proposes :—

(*a*) That a statistical investigation should be carried out with regard to the armaments of the various countries for the years 1913 and 1921. The enquiry should bring out the facts indicated in the programme drawn up by the Temporary Mixed Commission in pages 7 and 8 of its report to the Council.

(*b*) That with regard to the method to be followed, a beginning should be made by gathering all possible information to be obtained from international treaties, official publications, parliamentary papers and debates, year books and other public sources of information; but that, if need be, the enquiry should be completed, as far as the Members of the League of Nations are concerned, by means of a questionnaire based upon the programme which has been approved.

(*c*) That the Governments should be asked to furnish to the Secretariat of the League of Nations : —

(1) The military, naval and air budgets for the years 1913 and 1921;

(3) The general budget for all the Ministries for the years 1913 and 1921;

(3) The reports and minutes of parliamentary debates relative to military, naval and air estimates in 1913 and 1921, and, in general all legislative documents and other publications which throw light on the military policy of each State;

(4) The text of the laws determining the organisation of the land and sea forces.

(*d*) That, as soon as possible, each of the Governments should be asked to furnish a statement of the considerations it may wish to urge in regard to the requirements of its national security, its international obligations, its geographical situation and its special circumstances.

The Governments should be especially requested to indicate separately the police and military forces which they consider indispensable for the preservation of domestic order, and the expenditure entailed thereby.

(*e*) That the responsibility for carrying out these resolutions should be left to the Secretariat, under the direction of the Temporary Commission and of the Council, and that the Secretariat should be enabled to deal as rapidly as possible with the work of summarising and co-ordinating the statistical data and the documents sent to it, and should be enabled also, in case of need, to call upon the co-operation of competent correspondents in the various countries chosen by the Armaments Section under the supervision of the Temporary Commission.

The Secretariat should be authorised to publish from time to time, with the consent of its Temporary Mixed Commission and of the Council, reports on the partial results of the investigation, without waiting till the results of the statistical enquiry have been fully co-ordinated.

(*f*) That once the enquiry has been carried out for the years 1913 and 1921, the Council should be responsible for keeping it up to date for the succeeding years and for having it put into execution by competent bodies.

These resolutions in effect accept the recommendations on the points made by the Temporary Commission. In one point, however, they go further. The proposal that the Governments should make specific returns of what they require for the preservation of domestic order is based on the consideration that with these forces the League of Nations is not directly concerned. Their size and strength are primarily a domestic matter, and do not in themselves affect the international situation. The rest of the forces of each State is for the purpose of combating foreign foes, and it is this portion of the forces which it is the duty of the League of Nations of reduce. It is of great importance that the peoples of the world should be made aware how much of the money and personnel devoted to armaments is the direct consequence of international fear and suspicion, by reason of the relativity of their respective state of safety. It is only by a realisation of this truth that an effective appeal can be made to the reason and conscience of mankind in favour of a serious reduction of armaments.

II—*Private Manufacture of and Trade in Arms.*

The next point in the Temporary Commission's report dealt with by the Committee was that concerning private manufacture of armaments and trade in arms.

These matters are to a certain extent dealt with together by the Temporary Commission, and they are no doubt very closely related, since it is evident that the control over the trade in arms would make a very material difference in the question of their manufacture. Still they are separate questions, and may well have to be dealt with by separate international action. The position of the private manufacture of arms under the Covenant is that it is recognised to involve evil consequences which are not defined, and that the Members of the League are to agree to find a remedy for them. It is obvious that there are two stages necessary before the evils can be dealt with. They must first be examined and their nature ascertained ; proposals for dealing with them can then be made.

The Committee were therefore of opinion :—

(1) That the Temporary Commission, aided by the Secretariat, should continue its investigations into the whole subject ; and

(2) That the Assembly should request the Council to invite all the Members of the League and interested States which are not Members of the League to take part in an International Conference on the Private Manufacture of Arms and the Trade in Arms, so far as it has not been dealt with earlier, which should meet as soon as posssible at a date to be fixed under the responsibility of the Council. It is considered highly desirable that this date should be prior to the next session of the Assembly.

The Temporary Mixed Commission should be entrusted with the task of preparing the programme of the Conference and of submitting to it a draft Convention.

Some members of the Committee were anxious that a date should be fixed before which the Conference should be held, but the majority were of opinion that to fix a date might be productive of serious practical inconvenience, and that it was enough to express the view that it was desirable that the Conference should be held before the next Assembly.

III—*Arms Traffic.*

It will be noticed in the last quoted resolution that the Committee recommend that the Conference should also consider the question of the trade in arms, and indeed it is vitally necessary that some control over the export and import of munitions of war should be established and in particular that full information as to the extent and nature of this trade should be given to the League of Nations, and should be published. The Committee are of opinion

that this question should be dealt with in a separate Convention concluded at the Conference which considers the private manufacture of arms so far as it has not been dealt with earlier.

Further, the Committee had before them the first Resolution of the First Assembly, calling attention to the position with regard to the Convention of St. Germain on the traffic in arms, as well as the report of the Temporary Commission on the subject, and they arrived at the following resolutions :—

"1. The Assembly is of opinion that the control of the international traffic in arms and ammunition is an essential preliminary to any effective supervision of armaments, and that no international agreement for this purpose can attain the desired object so long as there remain important countries in which the arms traffic is not subjected to control. The Assembly therefore strongly impresses on all the States signatories to the Arms Traffic Convention of St. Germain, whether Members of the League of Nations or not, the urgent importance of ratifying the Convention at the earliest possible moment ; and, at the same time it invites all non-signatory States to adhere to the Convention.

"2. The Assembly expresses its earnest desire that the importance of this subject may be strongly urged at the forthcoming Conference on Reduction of Armaments at Washington.

"3. The Assembly, taking note of the view expressed in the report of the Temporary Mixed Commission on the Reduction of Armaments with regard to the desirability of making provision for excluding the import of arms and ammunition in time of peace from countries in which the traffic is uncontrolled, invites the Council to prepare a draft protocol for this purpose for the consideration of the various Governments. At the same time it expresses the earnest hope that this procedure will not in any way be permitted to delay the general ratification of the Convention of St. Germain."

They are further of opinion that some steps should be taken to deal with the large stock of surplus munitions of war at present existing in the world. They are a very serious danger to peace, and it is not too much to say that much of the fighting which is at present going on in the world would not be taking place had the sale of these surplus stocks been more effectively controlled.

The two subjects are closely connected, and as part of their proposals for dealing with the trade in arms, as distinct from the St. Germain Convention on the traffic in arms, the Temporary Commission should also consider what steps can be taken to secure the destruction of existing surplus stocks of munitions.

The report of the Temporary Commission deals also with certain other subjects notably the recommendation of the First Assembly that :—

"Pending the full execution of the measures for the reduction of armaments recommended by Article 8 of the Covenant, the Assembly recommends the Council to submit for the consideration of the Governments the acceptance of an undertaking not to exceed for the first two financial years following the next financial year, the sum total of expenditure of the naval, military and air services provided for in the latter budget, subject, however, to account being taken of the following reservations :—

"(1) Any contributions of troops, war material and money recommended by the League of Nations, with a view to the fulfilment of obligations imposed by Article 16 of the Covenant or by treaties registered by the League.

"(2) Exceptional conditions notified as such to the Council of the League of Nations in accordance with the spirit of paragraphs 2 and 6 of Article 8 of the Covenant."

The report sets out the replies on this matter which have been received from the various countries, and expresses the opinion that the enquiry has not given very conclusive results. In this opinion the Committee concurs. They think, however, it might be well to circulate the recommendation once again, together with a statement of the results so far achieved. Some of the countries may well be prepared to go further than they have hitherto thought it possible to proceed.

The Temporary Commission also considered the question of investigation and reciprocal control. The Committee have no observations to make on this part of the Temporary Commission's report.

It will be noted that this section of the Temporary Commission's report deals with point (*d*) in the resolution of the First Assembly quoted at the commencement of this report. The proposal contained in the remaining point in this last-mentioned resolution, namely, point (*c*), has already been carried out as set out in the Report of the Council on page 75. The Committee were, however, of opinion that in view of the very considerable addition to the duties of the Secretariat which they are recommending in the matter of reduction of armaments, further provisions should be made for increasing the Armaments Section of that body.

It will be remembered that, at the First Assembly, proposals were made for condemning the use of poison gas in warfare in accordance with the report of the Council on the subject. The Assembly did not in fact take any action about this, and indeed the experience of the late war has shown how difficult it is to enforce any regulations as to the conduct of war under modern conditions. At the same time the Committee are of opinion that the employment of poison gas and similar devices in warfare is an evil of tremendous proportions. It has been stated that

inventions have been made or perfected since the war, whereby wholesale destruction of the civil population would be possible by the dropping of poison bombs and the like from the air nor is there any reason to suppose that the limits of invention in these fiendish devices have been reached. And if, as seems to the Committee to be arguable, the employment of these weapons would be rendered impracticable if there were no secrecy about them, the possibility of obtaining complete publicity for scientific researches in this domain is certainly worth exploring. Accordingly the Committee recommend that the Temporary Mixed Commission should be asked to consider whether an appeal should not be addressed to all scientific men of the world, urging them to publish to the world the results of their discoveries in such matters, so that the knowledge of them having become public property, their use as weapons of war by any single State may be rendered improbable.

Valuable and important as the proposals are which have been discussed, it is nevertheless true that they do not touch the kernel of the question. If they were all carried out, only preliminary steps would have been taken towards the limitation of armaments. By Article 8 of the Covenant it is made the duty of the Council to "formulate schemes" for the reduction of armaments. No such scheme can yet be said to have been formulated. Doubtless there is much force in the contention that armaments can only be effectively limited when a world condition of peace have been reached, and when the League has become universal. But even this contention may be pressed too far. Complete peace has scarcely ever existed in the world, and cannot be expected in the immediate future. Few observers will deny that great steps might be taken towards the limitation of armaments in many of the principal countries if it were not for the existence of international fear and suspicion, depending not on present hostilities, but on the recollection of past wars. It is true that no complete scheme of reduction of armaments can be carried out without the co-operation of the United States, Germany and Russia. In particular, the naval strength of the first-named Power makes any scheme of naval disarmament impossible without her support, and it is for that reason among others that the Committee warmly welcomes the forthcoming conference at Washington, and trusts that it may be fruitful in securing a large measure of reduction of armaments. But on the military side it must be observed that the Army of the United States has been reduced to 120,000 men. German disarmament, whether complete or not, has proceeded a very considerable distance, and the armies of Russia have neither equipment nor discipline to be a very formidable force to any well trained European army.

There seems no reason indeed why the Council, in performance of the duty imposed upon them by the Covenant, should not lay down the general lines of a policy for the limitation of armaments. The Committee therefore think it desirable that the Temporary Commission should be specifically charged with the duty of preparing such a policy.

It is clear that if, and when, this policy come to be put into effect by the acceptance of a definite scheme of reduction of armaments by the Governments of the Members of the League, this scheme might take the form either of a general treaty or of a series of regional treaties laying down in detailed stipulations the armed forces which each of the contracting parties undertake not to exceed. There is no need here to go into the exact form which these treaties would take. There are already in existence treaties limiting the armaments of various countries, and possibly these might serve as a model. That, however, is a minor point. The principal thing is that the agreements which bring about the reduction of armaments would have to embody mutual undertakings either as to the number of men to be maintained by the various countries, or as to the amount of money to be spent on the equipment, or as to both men and money. It is most important, in order to bring a concrete proposal before the attention of the peoples of the world, that the Temporary Mixed Commission should, after due consideration, draw up the general lines of some definite plan in accordance with which these agreements might be framed. It would be worth while for them to consider whether they could go so far as to propose a report in the form of a model skeleton treaty which could be adapted to the requirements of the situation when the actual agreements came to be made. In order to carry out this task the Committee adopted the suggestion of one of the members of the Temporary Mixed Commission that it should be reinforced.

Finally, the Committee recognise that a policy of disarmament to be successful requires the support of the populations of the world. Limitation of armaments will never be imposed by Governments on peoples, but it may be imposed by peoples on Governments. The Committee are firmly convinced that it is of the most urgent importance that an earnest and vigorous propaganda be carried on in all countries of the world, to bring home to their populations the urgent necessity for the reduction of armaments as provided for in Article 8 of the Covenant, and the Committee venture to suggest to the various delegates to this Assembly that they should make it their business to preach this doctrine in their own countries. For it is only by creating an instructed public opinion in each country that the necessary strength of world opinion can be obtained.

The following recommendations have therefore been adopted by the Committee :—

1. That it is desirable that the Temporary Mixed Commission should be asked to continue the work which it has begun.

2. That the Temporary Mixed Commission be asked to make proposals on general lines for the reduction of national armaments which, in order to secure precision, should be in the

form of a draft treaty or other equally definite plan, to be presented to the Council if possible before the Assembly next year.

In order to enable the Temporary Mixed Commission to accomplish this task, the Council should be asked to strengthen the Temporary Mixed Commission.

3. A statistical investigation will be made with regard to the armaments of the various countries upon the lines indicated in the body of the report.

4. That the Temporary Mixed Commission be requested to continue the examination of the question of the Private Manufacture of Armaments and the Trade in Arms.

5. That the Council be requested to invite all the Members of the League and interested States which are not Members of the League to take part in an International Conference on the Private Manufacture of Arms and the Trade in Arms, which should meet as soon as possible at a date to be fixed under the responsibility of the Council. It is considered highly desirable that this date should be prior to the next session of the Assembly.

The Temporary Mixed Commission should be entrusted with the task of preparing the programme of the Conference and of submitting to it a draft convention.

6. That the urgent importance of ratifying the Convention at the earliest possible moment should be strongly impressed on all the States signatories to the Arms Traffic Convention of St. Germain, whether Members of the League of Nations or not, and at the same time all non-signatory States should be invited to adhere to the Convention.

The Assembly expresses its earnest desire that the importance of this subject may be strongly urged at the forthcoming Conference on Disarmament at Washington.

7. The Assembly, taking note of the view expressed in the Report of the Temporary Mixed Commission on Disarmament with regard to the desirability of making provision for excluding the import of arms and ammunition in time of peace from countries in which the traffic is uncontrolled, invites the Council to prepare a draft protocol for this purpose for the consideration of the various Governments. At the same time it expresses the earnest hope that this procedure will not in any way be permitted to delay the general ratification of the Convention of St. Germain. The steps that may eventually have to be taken for the destruction of the surplus stocks of munitions may be considered by the Temporary Mixed Commission.

8. That, subject to the conditions set out in the recommendation of the first Assembly, the recommendation that Members of the League should undertake not to exceed for the next two financial years following the present year the sum total of expenditure on military, naval and air forces provided for in the budget of that year, should be again forwarded to all Members of the League, together with a statement showing the replies already received to this recommendation.

9. That the Temporary Mixed Commission be asked to examine—in consultation with the Permanent Advisory Commission—whether it is advisable to address an appeal to the scientific men of the world to publish their discoveries in poison gas and similar subjects, so as to minimise the likelihood of their being used in any future war.

10. That it is desirable that propaganda in favour of the reduction of armaments, as contemplated in the Covenant, should be carried out with earnestness and conviction in all nations.

11. In pursuance of the third resolution of the First Assembly, the Committee is of opinion that the Secretariat should be asked to complete the organisation of the Section of the Secretariat dealing with the question of the reduction of armaments and that this section should have a directorship of its own, or other equivalent official organisation, quite separate from and, if necessary, in addition to, those already proposed by the Fourth Committee of the Assembly.

ANNEX 3.—*Report presented to the Assembly by Committee No. III, on the Economic Weapon of the League.*

The League of Nations broached last year the question of the use of the economic weapon and of the construction to be placed upon the provisions of Article 16 of the Covenant. The First Assembly entrusted this question to the Sixth Committee, which, after a Sub-Committee had investigated the matter, submitted a report, drawn up by Lord Robert Cecil, to the Assembly. In this Report, which was adopted by the Assembly with certain slight amendments, the Sixth Committee made certain provisional suggestions with regard to the interpretation and application of Article 16, and in conclusion drafted the following resolution:—

> "The Council should be asked to appoint an International Blockade Committee to consider the application of Article 16 of the Covenant. The Committee will report to the Council, which shall place the conclusions before the Assembly at its next session for their acceptance, rejection, or amendment, without prejudice to any action which may have been originally taken upon them. The Committee should not exceed eight in number, with power to summon experts to advise them, and not less than half its members should

be persons representing States which have not a right to permanent membership of the Council."

The first Assembly adopted this Resolution at its meeting on 10th December 1920. The Council therefore appointed the International Blockade Committee, which sat at Geneva from 22nd to 29th August last, and submitted its report to the Council at the end of that month.

The Council has submitted this report to the present Assembly, and the latter has referred it to the Third Committee.

The Third Committee has devoted a number of meetings to the consideration and discussion of the International Blockade Committee's Report, and now has the honour to submit to the Assembly the result of its investigations and the conclusions drawn therefrom.

The International Blockade Committee, with a view to accomplishing its task, divided its report into four headings, on the basis of the following questionnaire: —

(1) Under what conditions should sanction, be applied?

(2) Whose duty is it to decide that the necessity for sanctions has arisen?

(3) At what moment, and by whom, should these measures be applied?

(4) How should they be applied?

Your Committee has adopted the same logical system in its enquiry, and has thus been enabled to investigate in proper sequence all the principal questions relating to the employment of the economic weapon, especially the questions referred to in the report adopted by the First Assembly.

The Committee has, however, slightly amended the headings of the various chapters in order to make these headings correspond more precisely to the subject dealt with in each chapter.

It is important first of all that certain general considerations should be put forward.

There is no doubt that Article 16 is one of the most important and fundamental Articles contained in the Covenant. As Lord Robert Cecil pointed out in the speech which he made on this question in the First Assembly, the most powerful weapon possessed by the League of Nations is the public opinion of the world, which will force the members of the League to respect the Covenant. In the domestic affairs of States, however, it is sometimes necessary to use force in order to compel certain individuals to respect the law, and in the same way it may, in certain cases, be necessary to resort to the economic weapon in order to compel Members of the League to fulfil their obligations.

It follows, therefore, that Article 16 is one of the principal elements of the legal system embodied in the Covenant, and this system would be altogether incomplete were no provision made for the enforcement of effective sanctions against States which do not fulfil their obligations.

On the other hand, there is no doubt whatever that the application of Article 16 involves many complicated questions which it is very difficult to solve.

The starting point of the argument and of the conclusions arrived at by the Blockade Committee has been as follows:—The authors of the Covenant had considered the League of Nations as an organisation embracing all or nearly all States, and capable of prompt action in the event of breach of the Covenant. In the view of the International Blockade Committee, the application of Article 16, even had the League been universal, might have formidable consequences either for the League of Nations in general or for some of its Members. But the afore-mentioned Committee was of the opinion that as the League of Nations had not yet attained a world-wide or nearly world-wide character, a very rigid application of Article 16 would not only meet with very great obstacles, but might also place the States Members of the League in very difficult situations. That is why the International Blockade Committee has seen fit to recommend solutions which, in the present stage of the League of Nations, will, so far as possible, make allowance for the facts as they are.

Your Committee therefore considered that it must proceed cautiously and by degrees; hence the texts which it ventures to submit to you.

The International Blockade Committee came to the conclusion that certain parts of Article 16 would have to be modified, and submitted texts to this effect, considering also that if its various proposals for interpretation were favourably received, it would be expedient to sumbit the Article as a whole to re-consideration and re-drafting.

Your Committee has accepted this point of view and accordingly submits to you a new drafting of Article 16, embodying the amendments which it thought necessary to introduce.

For this reason your Committee has considered it advisable to leave the provisions of Article 16 as a whole intact and in their logical connection, restricting itself to proposing three amendments only to the text of the Article which appeared indispensable, as they contemplate measures for the adoption of which declarations of a purely interpretative character would not suffice.

1.—*Under what Conditions should Sanctions be applied? Effect of a Member of the League having resort to War in violation of the Covenant.*

The Blockade Committee, in the first place, expressed the opinion that, reserving the special provision in Article 17, the economic measures mentioned in Article 16 are only applicable to the specific case contemplated in that Article.

Your Committee associates itself with this point of view; the provisions of Article 16 in this respect are clear and explicit. Economic measures as a means, not only of putting an end to hostilities, but also as a means of forestalling them, or of assuring the execution of arbitral awards, may be contemplated also in other cases—to give examples, in those cases referred to in Articles 10 and 11, first paragraph, Article 17, fourth paragraph, etc. In these circumstances, however, the application of economic measures has not the character of a compulsory sanction as in the hypothesis contemplated by Article 16. What is this hypothesis?

It is laid down that, "should any Member of the League resort to war in disregard of its Covenants under Articles 12, 13 or 15." It would, therefore, be necessary to resort to compulsory application of the economic sanctions provided for by Article 16 when a Member of the League resorts to war—

(*a*) without having submitted a dispute likely to lead to a rupture either to arbitration or to enquiry by the Council (Article 12, first paragraph);

(*b*) without having waited three months after the award by the arbitrators or the report by the Council (Article 12, first paragraph);

(*c*) against a Member of the League which complies with the award by the arbitrators (Article 13, fourth paragraph);

(*d*) against a Member of the League which shall have accepted a report by the Council concurred in by all the Members, or a resolution of the Assembly adopted by a majority under the conditions contemplated by the last paragraph of Article 15.

Finally, the compulsory application of economic sanctions mentioned in Article 16 is required in the case contemplated in the first and third paragraphs of Article 17, either, when a State, not a Member of the League, has resorted to war and agrees to submit to the obligations imposed upon Members for the purpose of settling a dispute, or when a State which is not a Member of the League refuses to accept these obligations.

A second point of great importance for the just interpretation of Article 16 is the declaration, contained in the first paragraph of the same Article, the State Member of the League which resorts to war contrary to the provisions of Articles 12, 13, 15, "shall, *ipso facto*, be considered as having committed an act of war against all the other Members of the League."

With regard to this, the Blockade Committee has emphasised the difference between *act of war* and *state of war*. There is no doubt that an act of war on the part of the Covenant-breaking State gives to all the other Members of the League the right to proceed to acts of war against that State, and even to declare themselves at war with it.

But the unilateral act of the defaulting State is not, according to the views held by the Blockade Committee, sufficient to create a state of war which would, for the greater part of the Members of the League, be a mere fiction.

Your Committee concurred in this point of view. The fundamental idea inspiring the Covenant is the avoidance of war and the substitution of pacific measures for the settlement of international differences, or of less violent sanctions such as those of an economic nature. Once this fundamental idea is admitted, it scarcely seems rational to attribute to the unilateral act of a defaulting State the power of determining automatically a general state of war throughout the world; it is evidently not in the interests of the Members of the League to be obliged to consider themselves from the first moment as at war with the defaulting State, and to deduce from this state of war all the consequences admitted by international law.

It appears, on the contrary, more in keeping with the high ideals of the League of Nations to grant the Members of the League a certain latitude in applying the sanctions contained in Article 16, so that at the outset they might restrict themselves to exercising a certain economic pressure which could, if necessary, be gradually increased and intensified; but they might declare themselves definitely at war only if the defaulting State persisted in its conduct as a Covenant-breaking State.

In accordance with the foregoing considerations, the Committee asks the Assembly to adopt the following Resolutions:—

1. Subject to the special provisions of Article 17, the economic measures referred to in Article 16 shall be applicable only in the specific case referred to in this Article.

2. The unilateral action of the defaulting State cannot create a state war: it merely entitles the other Members of the League to resort to acts of war or to declare themselves in a state of war with the Covenant-breaking State; but it is in accordance with the spirit of the Covenant that the League of Nations should attempt, at least at the outset, to avoid war, and to restore peace by economic pressure.

II.—*Whose Duty is it to decide that the necessity for Sanctions has arisen? Nature and Limitations of the Powers of the Council.*

A guiding principle for the interpretation of Article 16 was approved by the Assembly at its first meeting, in accordance with the proposals of the Committee set up last year. This principle is as follows: It is the duty of each of the Members of the League to ascertain and to decide whether a breach of the Covenant within the meaning of Article 16 has been committed.

The principle is in agreement with the spirit of the Covenant, and with the fact that Article 16 does not recognise that any organisation of the League of Nations has the power to decide, in such a way as to bind all the other Members, that a given Member is a treaty-breaking State. Such a power would not be consistent with the sovereign rights of the various States.

On the other hand, this principle certainly does not mean that the Members of the League may of their own free will withdraw from the obligations incurred in virtue of the Covenant. When cases provided for by Article 16 arise, and as soon as a Member of the League is convinced that a breach of the Covenant has occurred within the meaning of Article 16, it is bound to co-operate in the application of the sanctions provided for in this Article. This obligation is explicitly imposed by the Covenant, and must be observed by the Members of the League in accordance with the respect due to Treaties.

Nevertheless, the difficulties involved in the application of the fundamental principle which we have just stated cannot be ignored.

Differences of opinion may exist in the various countries as to the facts which would constitute a breach of the Covenant within the meaning of Article 16. As the International Blockade Committee points out, grave doubts may arise as to which country had committed the first acts of war, or whether the State which has been attacked has carried out a unanimous recommendation of the Council. Moreover, isolated attempts, aiming at the immediate application of the economic sanction, might involve the States actually making these attempts in very unfortunate consequences, without affecting the Covenant-breaking State to any appreciable degree. They may, moreover, give rise to disagreements between the States applying the economic weapon and such Members of the League as may delay in doing so.

It is therefore a question of reconciling the liberty and independence of the States in the determination of a breach of the Covenant on the one side, with the obvious necessity on the other, of arriving at an agreement between Members of the League as to the existence of a substantive breach of the Covenant within the meaning of Article 16 and of co-ordinating their action on the basis of a joint plan.

Your Committee believes that this conciliation can be found in the procedure outlined in the Resolutions, the text of which it submits to you at the end of this chapter.

Every Member of the League has the right, and it is the Secretary-General's duty immediately to inform the Council of any breach of the Covenant, or to warn it of the danger of such a breach. Thus informed, the Council, on its side, must meet with as little delay as possible, and summon, besides the States involved in the conflict, the other States most concerned which are not represented on the Council.

It is not possible to give any exact definition of what is to be understood by "the States most concerned." Nevertheless, we are in agreement on this point with the International Blockade Committee, and we have therefore endeavoured to show, in a list which is purely indicative in character, what States these might be. The majority of the Committee did not agree with the International Blockade Committee proposal to leave—temporarily and subject to the Council's decision—the choice of the States to be summoned to the President of the Council. It seemed to the majority of the Committee that this was a duty of such importance that it could only be assigned to the Council itself; this body, moreover, meeting urgently, would certainly not fail to take steps at its first meeting for summoning the States in question. If the choice of the States to be summoned were left to the President, this procedure might give rise to serious inconveniences, especially if the President's choice should not be ratified by the Council.

It must be emphasised that the Council must not take any decision as to whether a breach of the Covenant had taken place; its duty is merely to give its opinion.

It is the great moral authority of the Council, strengthened by the presence of the States concerned, which must confer upon its opinion that convincing force which is essential for bringing the Members of the League into agreement, and for inducing them to take joint action. Faced with the Council's opinion, deeming a State to have broken the Covenant, it will be very difficult for the Members of the League to evade the fulfilment of their engagements.

In order that the Council's opinion that a breach of the Covenant has taken place may have all necessary influence on the Members of the League, it is indispensable that the minutes of the meeting at which this opinion has been formulated should be transmitted with the least possible delay to all the Members of the League, together with a statement explaining the reasons for this opinion and a request to the Members to conform thereto; the greatest publicity should be given to this act in order that it may be known to States which do not belong to the League of Nations and to public opinion throughout the whole world.

One more point remains to be elucidated with regard to the procedure to be followed by the Council in adopting the opinion in question.

We have admitted that representatives of the States in conflict and of the other States most concerned, even if they are not Members of the Council, should sit on that body whenever an opinion is to be formulated as to whether there has been a breach of the Covenant or not.

That is in accordance with the provisions of Article 4, paragraph 5, of the Covenant. But it would not be possible to admit also that a State accused of having violated the Covenant, whether it is or is not an ordinary Member of the Council, may by its vote prevent action on the part of the League, or that the accusing State should have a decisive influence on the opinion adopted by the Council.

The Committee has endeavoured to avoid, as far as possible, proposing amendments to Article 16, preferring to employ the method of interpretative statement. But to settle the question of procedure which is under discussion here, it is essential to amend the text of Article 16 in order to modify the general provisions laid down in Articles 4 and 5.

We have accepted the International Blockade Committee's idea not to create a permanent technical organisation to carry out Article 16, but only to provide that the Council shall, if necessary, when Article 16 is being applied, be assisted by a technical Committee, the members of which would be appointed by the Council.

The Committee proposes that the Assembly should adopt the following resolutions :—

1. It is the duty of each Member of the League to decide for itself whether a breach of the Covenant has been committed. The fulfilment of their duties under Article 16 is required from Members of the League by the express terms of the Covenant, and they cannot neglect them without breach of their Treaty obligations.

2. All cases of breach of Covenant under Article 16 should be referred to the Council as a matter of urgency at the request of any Member of the League. Further, should a breach of Covenant be committed, or should there arise a danger of such breach being committed, the Secretary-General should at once give notice thereof to all the Members of the Council. Upon receipt of such a request by a Member of the League, or of such a notice by the Secretary-General, the Council will meet as soon as possible. The Council should proceed to summon representatives of the parties to the conflict and of all States which are neighbours of the defaulting State, or which normally maintain close economic relations with it, or whose co-operation would be especially valuable for the application of Article 16.

3. If the Council is of opinion that a State has been guilty of a breach of Covenant, the minutes of the meeting at which that opinion is arrived at should be immediately sent to all Members of the League, accompanied by a statement of reasons and by an invitation to take action accordingly. The fullest publicity shall be given to this decision.

4. For the purpose of assisting it to enforce Article 16, the Council may, if it thinks fit, be assisted by a *technical* Committee. The composition of this Committee, which will remain in permanent session as soon as the action decided on is taken, will be subject to modification and may include, if desirable, representatives of the States specially affected. Those representatives should be selected by the Council.

The Committee proposes the following amendment to Article 16 before the last paragraph should be inserted :—

"The Council has to give an opinion as to whether a breach of the Covenant has taken place or not. When the Council gives such an opinion, the votes of the States charged with having committed a breach of the Covenant and of the State bringing the charge, no matter whether these States are Members of the Council by virtue of Article 4, paragraph 1, of the Covenant, or have been specially summoned, shall not be reckoned in determining whether or not there has been an unanimous decision."

III.—*At what Moment and by whom should the Sanctions be applied?*

The Committee agrees with the International Blockade Committee as regards the following statement: In view of the fact that it is necessary in the general interest that the economic weapon should be effective, and that for this purpose efforts must be centralised and a common plan of action adopted, the Council should fix a date on which the measures in question should be taken, and that it should give notice of this date to all the Members of the League.

It is true that in paragraph 1 of Article 16 the word "immediately" is used, but this word may, in the opinion of the majority of the Committee, be reconciled, according to circumstances and common sense, with the necessary and inevitable period required for the adoption and putting into practice of a common plan for the application of the economic sanctions.

The Committee also agrees with the International Blockade Committee as regards the general principle that, all States should be on the same footing in respect of the application of measures of economic pressure, and should be treated with absolute impartiality. This general principle, however, may, in practice, give rise to certain reservations on two grounds.

On the one hand, it may be necessary to assign a special mission to certain States. For example, those States which border upon or are situated near the State which has violated the Covenant may have to take special measures, the adoption of which by the other Members of

the League it would be unnecessary or quite useless to demand. It may also be necessary to take naval, military or air measures against the State which has committed a breach of the Covenant. In this case it is the duty of the Council under the terms of Article 16, paragraph 2, to recommend to the various Governments concerned the measures to be adopted. It is clear, however, that all States could not be called upon to take part in these steps in the same manner and to the some extent.

In the second place, the International Blockade Committee was of opinion that in the case of certain States complete and immediate participation in an economic blockade might, owing to the inadequate natural resources and the geographical position of these States, involve them in serious dangers, particularly if the blockaded State were economically very strong and one with which the States in question ordinarily maintain close commercial relations. The amendments to the Covenant submitted by the Scandinavian States refer to this case.

On this point the international Blockade Committee arrived at the conclusion that in practice the principle on which these amendments are based must be carried out, but that it is of the utmost importance to specify that what is aimed at is not a general system of exemptions, but only an exemption for a specific case and in particular circumstances which justify such an exemption. On this point the International Blockade Committee proposed the following amendment to Article 16 :—

" The Council may, however, at the request of a Member which can show that the facilities demanded are essential for its economic or political security, grant such exemptions as, in its opinion, will not conflict with the aims of Article 16."

On this point there was a long discussion in your Committee. From this discussion it was ascertained that the majority of the Committee felt that it could not support the amendment proposed by the International Blockade Committee for the reason that it did not think that it could, in principle, allow any real exceptions to the obligations laid down in Article 16 to be granted. Indeed, such exceptions would be contrary to the duty of all the States Members of the League to observe the engagements which they have undertaken in virtue of the Covenant, and would also contravene the principle of justice and equality among these States.

But the majority of your Committee considered that account must to a certain extent be taken of the particular conditions and requirements of certain countries, and that situations might arise in which it would be recognised as expedient to postpone, in the case of certain States, either wholly or in part, and for fixed periods, the effective application of the economic sanctions laid down in Article 16. In this there would be no contravention of the fundamental principle that all the Members of the League are equally bound to observe the obligations of the Covenant. It will be admitted that under given circumstances the application of the economic measures may be carried out with a certain gradation, not in any particular interest, but in the general interest of the success of the economic pressure on the defaulting State.

It might happen, for instance, that, in view the particular situation of a State, if this State were to break off all relations with the defaulting State, the latter would be induced to commit acts endangering the success of the common action of the League—for example, to take possession of certain strategic points of the first State. On the other band, the spirit of article 16 presupposes a common plan of action and gives to the States the right of mutual support.

The view was expressed in the Committee that this solution was contrary to the principle laid down in the first paragraph of Article 16 ; that is to say, that the members of the League undertake *immediately* to break off all relations with the defaulting State. But, as has already been stated in the preceding chapter in connection with the moment at which the economic pressure is to be applied, the expression " immediately " used in Article 16 must, in the opinion of the majority of your Committee, be interpreted as meaning that the act constituting a breach of the Covenant entails *an immediate obligation* for all Members of the League to break off their relations with the defaulting State. This, however, does not mean that, as far as time is concerned, certain States may not, by common agreement and in the general interest, be absolved from the immediate *carrying out of this obligation.* In interpreting the word " immediately " in the light of the existing situation and of common sense, we are therefore inclined to the view that the execution of the obligation must be effected without delay, when, having regard to the common object in view, such execution is essential.

The Committee has thought it necessary that the solution proposed to you should take the form of an amendment, the text of which it now lays before you.

The Committee proposes that the Assembly adopt the following resolutions :—

1. The Council should fix the date on which the enforcement of economic pressure, under Article 16, is to be begun, and should give notice of that date to all the Members of the League.

2. All States must be treated alike as regards the application of the measures of economic pressure, with the following reservations : —

(*a*) It may be necessary to recommend the execution of special measures by certain States ;

(*b*) If it is thought desirable to postpone, wholly or partially, in the case of certain States, the effective application of the economic sanctions laid down in Article 16, such postponement shall not be permitted except in so far as it is desirable for the success of the common plan of action, or reduces to a minimum the losses and embarrassments which may be entailed in the case of certain Members of the League by the application of the sanctions.

Further, the Committee proposes to the Assembly the following amendment : Insert after the first paragraph of Article 16 :—

" Nevertheless, the Council may in the case of particular Members postpone the coming into force of any of these measures for a specified period where it is satisfied that such postponement will facilitate the attainment of the object of the measures referred to in the preceding paragraph, or that it is necessary in order to minimise the loss and inconvenience which will be caused to such Members."

IV.—*How should the Sanctions be Applied ?*

The Committee supports the view of the International Blockade Committee, which has expressed the opinion that it is impossible to decide in advance and in a definite manner on all measures to be taken for the application of Article 16. It has, however, recognised that it would be well to give, at this juncture, some general indications on the way in which the sanctions of the said Article should be applied.

Article 16 stipulates, in the first paragraph, that the Members of the League of Nations undertake " immediately to sever all trade or financial relations with the defaulting State, to prohibit all intercourse between their nationals and the nationals of the Covenant-breaking State, and to prevent all financial, commercial or personal intercourse between the nationals of the Covenant-breaking State and the nationals of any other State, whether a Member of the League or not. "

According to this provision, from the moment when the sanctions are applied, a situation arises which is not compatible with the maintenance of diplomatic relations. But, if a state of war is not expressly declared, it would not be impossible, in the opinion of the International Blockade Committee, to confine this action, at the outset, to the recall of the heads of Missions. This step would probably produce a profound impression, especially if taken by the various Members of the League simultaneously. At first it might, therefore, be advisable to maintain diplomatic representatives of lower rank, in the hope that the defaulting State might change its attitude.

Your Committee supports this view, and also shares the opinion of the International Blockade Committee regarding the possible maintenance of consular relations. In a similar way, if no state of war has been declared, the temporary maintenance of Consuls at their posts may serve a useful purpose in view of any change in the attitude of the Covenant-breaking State.

As regards the most essential parts of the sanctions of Article 16, that is to say, the severance of all trade and financial relations, and the prohibition of all financial, commercial or personal intercourse between the people of the blockaded State and of other States, the word " nationals " used in this Article has raised serious problems. Last year it was held in the Assembly that the word " nationals " should be interpreted as a synonym for " inhabitants " in the sense that a Member of the League shall not be obliged to prohibit, in its own territory, the intercourse of its own nationals with the nationals of the defaulting State. The prohibition of intercourse, according to this interpretation, should apply from country to country, *i.e.*, between States and not within States. It has been observed that any contrary interpretation might create extremely difficult situations, especially in countries the population of which comprises a large proportion of foreigners.

The International Blockade Committee has held that the word " nationals " should be understood in the sense of " residents, " but that this interpretation of the word " nationals " was not an obvious one, so that it was necessary to amend Article 16 in this respect.

Your Committee shares this view, and consequently submits to you a proposed amendment to the second portion of the first paragraph of Article 16. It does not appear that the problems raised by the word " nationals " can be solved merely by an interpretation explanation and without inserting an explicit amendment in the provision in question.

The International Blockade Committee, after having laid down that the prohibition of all commercial relations with the inhabitants of the defaulting State should be strictly applied by all Members of the League, proposed to prepare and to revise from time to time a list of articles considered to be of vital importance in warfare. No exemptions could be granted concerning articles mentioned in this list, which would at the same time form a list of contraband, if it became necessary to exercise the right to search vessels at sea.

Your Committee did not consider it expedient to accept this suggestion made by the International Blockade Commission. It seemed to the Committee that it was premature to draw up a list of this kind at this time. We are here concerned with measures which cannot be anticipated, the details of which depend upon circumstances of time and place difficult to foresee accurately, and on the special situation of the State which might be subjected to economic pressure.

The International Blockade Committee justly considers that the economic pressure should be applied by measures becoming, if necessary, more and more stringent. Your Committee accepts this principle of graduation in the employment of the economic weapon and associates itself also with the conclusion that the cutting off of the food supplies of the civil population of the defaulting State should be regarded as an extremely drastic measure, to be applied only if all other available measures have been found to be clearly inadequate.

In order to assure the interruption of the relationships mentioned in the first paragraph of Article 16, it will be essential to submit correspondence and all other methods of communication to special regulations. The necessity of such a measure has been shown by experience.

Article 16 speaks of the prohibition not only of financial and commercial relations, but also of *personal* communications. The International Blockade Committee has felt itself called upon to interpret this expression in the sense that personal relations should only be interrupted if they have a bearing upon commercial or financial relations. Your Committee, however, has not considered that it was necessary to introduce distinctions in this respect, which would be difficult to draw, and limitations which may be dangerous to the success of the measures of economic pressure.

As regards humanitarian relations, it is fully accepted that these should continue. Last year this question was discussed in the Assembly, and the Sixth Committee expressly declared that the prohibition of all commercial or other relations between the inhabitants of countries Members of the League of Nations and the inhabitants of the territory of the defaulting State did not include any existing humanitarian relations.

A difficult question which has been raised is that of deciding how the economic weapon is to be employed when a Covenant-breaking State has for a neighbour a State which does not belong to the League, and, generally, what is to be the attitude to be adopted towards those States which are not Members of the League.

The International Blockade Committee did not think it necessary to give much time to the consideration of this point, as it involves questions which do not arise directly, or at any rate not exclusively from Article 16. The Committee limited itself to declaring that, as regards the States which are not Members of the League, every possible effort should be made to conclude agreements which would assure at least the passive co-operation of these States in the measures to be taken ; this recommendation applies also to all the exporting States and all the States whose territory is adjacent to that of the defaulting State. The International Blockade Committee did not consider it necessary to formulate a decision on the measures which might be adopted if it should be impossible to arrive at agreements, an eventuality which the Committee did not consider probable.

Nor does your Committee believe it necessary or suitable, at the present time, to make declarations upon this point which might limit the freedom of action of Members of the League. If the occasion should arise, it will be the duty of the Council to consider the means for preventing the employment of the economic weapon being rendered useless by the action of States which do not form part of the League, and to propose suitable measures for this purpose to the Members of the League.

It has already been explained in Chapter III, that for the application of economic sanctions it may be necessary to recommend special measures for certain States. Amongst these special measures we must mention particularly that of the effective blockade which would have to be applied on the seaboard of the defaulting State. If it were decided to have recourse to such a measure, it would devolve upon the Council, in accordance with Article 16, paragraph 2, to recommend what naval forces should be employed, and what Members of the League should be called upon to effect the blockade.

The International Blockade Committee hesitated to declare an opinion on the application of the maritime blockade and on the exercise of the right of visiting vessels, because it felt that the effects of the new conception, which is embodied in the League of Nations upon the traditional principles of international law, required an exhaustive study. Instituted to investigate the question of the application of Article 16, the Committee, by reason of its technical nature, consider that a legal problem of such importance was scarcely within its competence. It confined itself to stating that in particular instances, where the enforcement of economic measures was necessary, it might be expedient to impose and maintain an effective blockade on the seaboard of the defaulting State, and that it might also be expedient for a certain number of Members of the League to exercise the right of belligerents in stopping and visiting vessels at sea and establishing prize courts.

It was proposed in your Committee to ask the Council to appoint a special Committee of legal, naval and commercial experts, who should be instructed to consider the rules for the application of a maritime blockade, considered as a measure supplementary to the economic sanctions provided for in Article 16 of the Covenant. But the majority of the Committee were unwilling to endorse this proposal.

As regards the executive or legislative measures which each country might have to adopt for the application of the economic sanctions of Article 16, the International Blockade Committee considered that this was a question which each country must decide for itself. It was neither incumbent upon, nor possible for, the League to lay down uniform rules for the legislative or executive procedure to be adopted by the various countries.

This opinion cannot but be unreservedly accepted, and it was precisely on account of this consideration that the Secretary-General of the League had addressed a questionnaire to the various Governments, in order to find out what were their respective laws in this matter. The replies from the Governments to this questionnaire have been published. From them it is evident that the laws of the various countries in the matter of the competence of the Governments, or of the legislative bodies, to authorise and adopt the measures provided for in Article 16, are very different. What is most important in the opinion of your Committee is that the Secretary-General of the League of Nations should again urge upon all Governments to prepare themselves to carry out without delay—should occasion arise—the obligations they have undertaken under Article 16 of the Covenant.

The Committee proposes the following resolutions for adoption by the Assembly :—

(1) It is not possible to decide beforehand, and in detail, the various measures of an economic, commercial and financial nature to be taken in each case where economic pressure is to be applied.

When the case arises, the Council shall recommend to the Members of the League a plan for joint action.

(2) The interruption of diplomatic relations should, in the first place, be limited to the withdrawal of the heads of Missions.

(3) Consular relations may possibly be maintained.

(4) For the purposes of the severance of relations between persons belonging to the Covenant-breaking State and persons belonging to other States Members of the League, the test should be residence and not nationality.

(5) In cases of prolonged application of economic pressure, measures of increasing stringency should be taken. The cutting off of the food supplies of the civil population of the defaulting State should be regarded as an extremely drastic measure which should only be applied if the other measures available are clearly inadequate.

(6) Correspondence and all other methods of communication will have to be subjected to special regulations.

(7) Humanitarian relations will be continued.

(8) Efforts should be made to arrive at arrangements which would ensure the co-operation of States non-Members of the League in the measures to be taken.

(9) In special circumstances and in support of economic measures to be taken it may become advisable (*a*) to establish an effective blockade of the seaboard of the Covenant-breaking State ; (*b*) to entrust to some Members of the League the execution of the blockade operations.

(10) The Council should urge upon all the States Members of the League that their Governments should take the necessary preparatory measures, above all of a legislative character, which would enable them to enforce at short notice the necessary measures of economic pressure.

The Committee proposes an amendment to the following effect : the words "their nationals and the nationals," in the first paragraph of Article 16, shall be replaced by the words "persons residing in their territory and persons residing in the territory"; the words "the nationals of the Covenant-breaking State and the nationals," in the same paragraph, shall be replaced by the words "persons residing in the territory of the Covenant-breaking State and persons residing in the territory."

The Committee thinks that it has conscientiously considered the Report of the International Blockade Committee and has clearly stated its opinions upon the various solutions suggested by that Committee. The Committee has not accepted all these solutions and has modified the form of some of them, but, generally speaking, it feels bound to express its appreciation of the efforts of the International Blockade Committee, which has undoubtedly made a considerable contribution to the work of interpreting the Covenant.

The Committee has endeavoured to provide the Assembly with complete information on the question, so that it may be in a position to take the decisions necessary for the practical application of Article 16 and for the employment of the economic weapon. The Committee hopes that it has in this way fulfilled the task entrusted to it by the Assembly.

(Signed) CARLO SCHANZER, *Rapporteur*.

Geneva, 20th September 1921.

APPENDIX.

The text of Article 16 of the Covenant with the modifications proposed by the majority of the Third Committee. (*See* paragraph 67 of the Report.)

ANNEX 4.—*Report submitted by the Fourth Committee on the organisation of the Secretariat and the International Labour Office.*

The Fourth Committee devoted nine meetings between 8th and 21st September to detailed work upon, and exhaustive study of, the report of the Commission of Enquiry. It has adopted the conclusions of this Commission of Enquiry with a few slight alterations affecting the form rather than the substance.

We examined both the organisation of the Secretariat of the League of Nations and that of the International Labour Office. In the case of these two institutions the majority of the problems are identical, or at least of a very similar nature. The remarks and recommendations of the Fourth Committee will consequently have reference both to the Secretariat and to the International Labour Office. Particular mention will, however, be made *in fine* of special points connected with the International Labour Office.

Finally, three annexes are attached in support of certain recommendations, and to develop certain questions which have called for special discussion, or to illustrate, by means of selected examples, certain points of detail.

PART I.—SECRETARIAT OF THE LEAGUE OF NATIONS.

I.—GENERAL OBSERVATIONS.

The Fourth Committee endorses in general terms the high opinion formed by the Commission of Enquiry in regard to the work of the Secretariat and the manner in which it has understood and carried out its duties.

We have taken into consideration the individual qualities and high standard of culture shown not only by the Directors, but by the great majority of the administrative staff.

We congratulate them and thank them for their unbounded faith in the great ideals of the League, their unremitting zeal in the execution of its designs and their unshaken confidence in its ultimate success. We consider that, in order to appreciate what is actually achieved, it is fair to bear in mind the difficulties inherent in any organisation, the personnel of which is of necessity recruited on an international basis, and which was called upon to set to work and forthwith produce results. We agree that it is difficult to see how what has actually been achieved could have been more speedily or effectively carried out.

We recommend with special urgency that, in the interests of the League, as well as in its own interests, the Secretariat should not extend the sphere of its activities, that in the preparation of the work and the decisions of the various organisations of the League it should confine itself to collating the relevant documents and the preparation of decisions without hazarding suggestions; finally, that once these decisions had been taken by the bodies solely responsible for them, it should confine itself to executing them in the letter and in the spirit, and should refrain as far as possible from interpreting them.

II.—SEAT OF THE LEAGUE.

The Fourth Committee has taken note of the statement of the Commission of Enquiry with regard to the high cost of living in Geneva.

We are of opinion that, as regards the choice of the town where the seat of the League is to be established, the realisation of possible economies is only one aspect of the question. For a problem of this kind is in our opinion governed by other and far more important considerations.

We consider, however, that all the evidence necessary for arriving at a reliable estimate of the cost of living in Geneva should be collected. We propose to entrust this investigation to the Salaries Adjustment Committee, the creation of which is dealt with later.

III.—THE MEETING PLACES OF THE COUNCIL, ASSEMBLY, COMMITTEES AND CONFERENCES AND EXPENSES OF MEETINGS.

The Fourth Committee, realising that the holding of the meetings of the various organisations elsewhere than at the seat of the League occasions both considerable expenditure and a temporary but profound disorganisation of the services of the Secretariat, recommends that the meetings of the Council shall normally be held at the seat of the League, and that, except on the rarest possible occasions, all Committees and Conferences held under the auspices of the League shall also meet there. We recognise that it is clearly desirable that the Secretariat should keep in the closest and most frequent possible touch with the principal countries, but we recommend that this contact should be established by means of individual journeys on the part of the Director of the Secretariat, and especially the Secretary-General and the Deputy Secretary-General.

IV.—International Liaison Bureaux.

The Committee adopts the observations and recommendations of the Commission of Enquiry as regards the organisation of international liaison bureaux in the great capitals in order to provide for the co-ordination and unification of relations of all kinds between the League of Nations and its organisations and the Government services in the principal countries. The economies in personnel, time and charges of the League which the formation of these national bureaux would make possible (the bureaux being, of course, organised by the individual initiative of the various countries and supported by their respective budgets) are both, from the material and moral points of view, so considerable that the Committee feels impelled strongly to recommend their establishment. Further, the establishment of corresponding national bureaux at the seat of the League, which appears eminently useful in the case of distant countries, must even more emphatically be left to the initiative of the nations interested.

The Committee considers that from the point of view of economy—which is our sole object—such an arrangement seems less necessary for certain less distant countries with whom liaison is both quicker and easier.

V.—Office of the League of Nations in South America.

The Secretariat has taken the step—which experience has shown to be justified—of establishing branch offices in Paris and London. These offices are controlled and paid for by the League of Nations, which differentiates them completely from the national liaison bureaux referred to above.

It has contemplated the extension of similar institutions, and its attention has been drawn in the first place to the utility of establishing one in South America. The Financial Director of the Secretariat has emphasised the notable economies, as well as the very appreciable simplification of communications which would be realised by the despatch of all documents, messages, and, above all, of all cablegrams, towards one central office which would undertake their redistribution.

No doubt the economy which would certainly thus be realised would not absolutely compensate for the fresh expenditure necessitated by the creation of this office. This creation would thus, on the whole, imply fresh expenses for the League; but the consideration of the moral benefit to be reaped appeared to the Committee by far to outweigh that of the material expenditure.

Having reassured ourselves that this innovation would generally correspond to the wishes of the States interested, we formally approved the principle, leaving the details of its execution to the Secretary-General, under the authority of the Council.

VI.—Postage.

The Committee considers that the postal and telegraphic expenses, rendered heavier for the majority of States by the rate of exchange of the Swiss franc, which at the present time is high, constitute an extremely heavy burden on the Budget of the League. We recommend the Secretary-General to do his utmost, with the help of the Swiss Government, to obtain the greatest possible facilities.

VII.—Staff.

(*a*) *Salaries.*

1. The Fourth Committee has formed the general conclusion that the absolute value of salaries and wages shows a high average. It has been found impossible to do otherwise than calculate it on the basis of salaries granted to the highest paid officials in the various States Members of the League, at the risk of seeing the Secretariat and the International Labour Office deprived of the services of the aforesaid officials, which would have been out of the question. Having formed this conclusion, the Committee considers that, in accordance with the opinion of the Commission of Enquiry, this average scale of salaries and wages is justified as compared with those obtainable elsewhere.

The Committee attaches to its Report (*see* Annex 1) a schedule of salaries which it considers reasonable for the various grades of the staff. This schedule contains, at least in the case of the higher officials (from Directors down to Members of Sections) figures slightly inferior in a descending scale to those given in the Report of the Commission of Enquiry. These latter figures themselves were already such as to make it possible to recruit members of the staff at somewhat lower figures than those which have been paid hitherto, and which must continue to be paid until the expiration of current contracts.

We consider that the figures proposed in Annex 1 are perfectly reasonable and will allow the retention of the services of the nationals of all States Members of the League. Moreover, they constitute their own justification as against criticisms which public opinion—when better informed—will, it is to be hoped, no longer direct against them. Further, the emoluments at the present moment granted to the Secretary-General and his assistants may in the future

and at the expiration of existing contracts be subjected to reasonable reductions proportionate to those which enabled us to arrive at the figures of Annex 1.

2. *A Salaries Adjustment Committee.*—The Fourth Committee adopts the proposal of the Commission of Enquiry to create a Salaries Adjustment Committee with the object of modifying from time to time the salaries of employees in accordance with the periodic variation of the cost of living. We approve the methods proposed to this end by the Commission of Enquiry for the constitution and duties of this Salaries Adjustment Committee. We consider that any recommendations made by this Committee must be submitted in the case of the Secretariat to approval of the Council of the League, and in case of the International Labour Office to the Governing Body, for their approval before they are put into effect. It is a matter of course that the aforesaid Committee must keep strictly within the limits the budget regularly voted by the Assembly.

3. *Choice between payment in Swiss francs or in Gold francs.*—The Committee has adopted the conclusions contained in the Report of the Commission of Enquiry suggesting the adoption of the Swiss franc, and it recalls the fact that the salaries figuring in the schedule of Annex I have been calculated in this currency.

4. *Expatriation.*—The Fourth Committee appreciated the fact that in the scale of salaries proposed by the Commission of Enquiry the factor of expatriation had not been overlooked, and we consider it reasonable that the Commission should have taken it into account.

5. *Income-Tax.*—The Fourth Committee, taking into consideration the unfavourable situation of certain officials of the League who are nationals of the States whose fiscal laws impose a tax on incomes and in particular on salaries and earned income, approves and adopts the suggestion made by the Commission of Enquiry that the Governments concerned should be approached with a view to inducing them to exempt all officials of the League of Nations, in respect, of course, only of their salaries from the League, from income-tax of any kind upon those salaries.

6. *Travelling Expenses, Subsistence and Entertainment Allowances.*—The Committee recommends that, as far as travelling expenses and subsistence allowances are concerned, travelling expenses should henceforward be paid exactly as incurred; that subsistence allowances should be calculated to cover not the total expenses of an official during his absence, but only the excess of exceptional expenditure that he incurs abroad as compared with his daily expenditure at home; finally, that these subsistence allowances should in no case be intended to meet any portion of out-of-pocket expenses which may be incurred in entertainment. As regards allowances payable to outside persons who may be called upon to take part temporarily in the work of Committees or Conferences, the Committee decides to fix the normal scale of their allowances at 70 gold francs per diem. If, however, the League has in exceptional cases need of the special services of a particularly distinguished personage, the Council must have full liberty to take appropriate measures in such cases as an exception to the general rule.

The Fourth Committee recommends the establishment of the entertainment fund proposed by the Commission of Enquiry. We consider that there is reason to establish this kind of "pool," which will be administered by one of the officials of the Secretariat specially appointed to ascertain the obligations incumbent, according to the particular case, either upon the officials of the Secretariat or the external members of the various Organisations of the League, and that this official should propose the allocation to the person concerned of such sums as may be considered suitable and charge them to the entertainment fund. The amount of this "pool" should not at the present moment exceed the total of the sums which certain high officials of the League have voluntarily surrendered. In this connection the Committee desires to express its gratitude to these officials for the grace and generosity of their action. It is a matter of course that any officials who may be appointed in the future will draw only the entertainment allowances recommended by the Commission of Enquiry.

The Committee recommends that all Members of the League of Nations should refer to the official especially appointed to administer the entertainment fund, requesting him to take all necessary steps for the accommodation of their representatives and officials, both for meetings of the Assembly and for those of the Committees, etc., in the city where the League has its headquarters; these representatives would be requested to give notice beforehand of their wishes and the approximate prices they would be willing to pay.

(*b*) *Conditions of Service.*

In accordance with the proposals of the Commission of Enquiry, the Fourth Committee considers it extremely important that definite terms of engagement should be established for the staff without delay and on the model of all great administrations—fixed conditions indicating its rights in concrete form and giving explicit information as to its obligations. Such terms would safeguard the staff from the very natural feeling of insecurity which tends to diminish efficiency by destroying confidence in the future, and to dampen goodwill and devotion to duty. The Fourth Committee urges that this reform should be promptly effected. We fully realise the difficulties involved in the drawing up of detailed regulations and conditions of service which have to apply to a staff of such varied nationalities and occupations.

We must therefore confine ourselves to stating certain principles and to drawing attention to certain recommendations which we consider essential. Beyond that, we consider that the task of working out details should be left to the responsible officials on the condition that they take prompt action.

1. *Selection of the Staff.* - As a result of the exceptional circumstances which governed the creation of the League of Nations, the staff was at first appointed almost exclusively by individual selection by the Secretary-General or by his principal officers acting in his name, in virtue of powers expressly conferred upon him by the Covenant. We have already testified our high appreciation of the quality of the present staff.

This system of recruitment, however, which was the only possible one in the initial period, must be replaced, as a general rule only to be departed from in very special cases where the necessity for such departure can be established, by that of "competitive selection." The Committee recommends that this selection should be carried out in accordance with the principles and according to the method laid down in Articles 42 to 54 of the Commission of Enquiry's Report.

The Committee lay special stress upon the great desirability, especially in regard to the higher administrative posts, of recruiting the staff of both the Secretariat and the International Labour Office as far as possible in equitable proportion from the various States Members of the League. It recommends that this principle should be carefully observed whenever fresh appointments may have to be made in the future, always bearing in mind, however, the necessity of obtaining competent officials.

2. *Promotion.*—The Fourth Committee recognises that the system of grading into classes and promotion within classes, and from one class to another, is bound to make for efficiency in the staff. The staff of the Secretariat should have reasonable prospects of promotion.

In this respect the Committee adopts in their entirety the views and suggestions contained in paragraph 43 of the Commission of Enquiry's Report.

3. *Engagement.*—(*a*) The Committee realises the difficulty of applying the principle of a definite period of engagement in the case of the Secretariat of the League of Nations, in spite of the fact that normally it is strictly necessary in organizations of this nature. Such an application of the principle would, no doubt commend itself to the existing staff, directing or subordinate, but it must not be forgotten that the very nature of the duties encumbent upon the Secretariat - its international character and its universality—prevent it from giving all its officials, without exception, a guarantee of permanent employment.

The Committee, however, is well aware that a guarantee of this kind is one of the surest factors making for the efficiency of any administrative staff, and that a tolerable measure of security is indispensable for the satisfactory accomplishment of the daily task. For this reason, we desire to put an end to the present feeling of uncertainty on the part of the officials of the League of Nations, and we have, therefore, carefully considered to what extent we could suggest that the normal system of long-term engagements should in future be applied.

(*b*) At present each official has entered into an individual contract with the Secretary-General. The contracts are of varying durations, and are in all cases limited to a maximum of five years. They may, of course, be cancelled for misconduct or inefficiency. They do not include any provisions against sickness or accidents, and do not carry pension or gratuity on retirement.

The Committee considers that it is desirable to class the officials and employees of the Secretariat in three categories, each of which require separate consideration :—

(*c*) 1. To the *higher official* it does not, in our view, seem possible to give long-term engagements. The international character of the League of Nations, and the legitimate desires of the Member States, render it essential that systematic changes should take place in the higher posts of the Secretariat in order to enable them to be filled by persons of any country whatsoever, who are of recognised importance and widespread influence among their own people, and whose views and sentiments are representative of their national opinion. This principle of frequent changes is essential to make the League a living force among the nations.

On the other hand, there could be no question of depriving the Secretariat of its leaders, just when the experience which they have gained by the study and solution of the various problems with which they may have to deal would be of most value. It is therefore clearly advisable that Members of the higher staff should serve for a sufficiently long period to enable their work to bear fruit, and that they should not be replaced simultaneously.

When this temporary difficulty has been duly met, a maximum period of seven years for members of the higher staff (Secretary-General, Deputy Secretary, Under Secretary-General and Directors) appears to be the correct solution.

In view of the considerable emolument assigned for these higher officers, we do not, in their case, recommend pension or gratuity on retirement.

In exceptional cases these officials may be reappointed.

(*d*) 2. *Subordinate Staff.*—At the opposite end of the scale is the subordinate staff, which may be divided into two classes : first those who are engaged in the purely manual

duties of any administration (attendants, messengers, charwomen, etc.). It appears reasonable that these persons should be recruited on the spot, which is the cheaper plan. They might be engaged for a definite period and in accordance with special local custom. In our view the second class should include duplicating, roneographic staff, etc. This part of the staff should be recruited on the spot, and should also be engaged in accordance with the normal conditions of Swiss administrative services, but provision should be made for promotion to the class above by means of competitive examination.

(*e*) 3. *Intermediate administrative personnel.*—Under this heading we class personnel whose work entails, in varying degree, intellectual attainments and a knowledge of languages.

Subordinate Staff (*Class C*).—We have placed in a class by itself (C) shorthand-typists, the subordinate staff of the Publications Department, of the Library and the majority of the staff of the Registry, etc. The specialised work of this personnel and its comparatively limited range do not lend themselves to the application of the rule of frequent changes. Its permanency should be secured under the best conditions possible, nor is there anything to prevent the rigorous application to this class of the three principles stated above, *i.e.*, appointment by competitive examination of a widely international character, annual increments, and long-term of engagement. These engagements might be made for 28 years (four periods of seven years) in cases of exceptional ability, with the possibility of advancement to the next grade (B) in cases of exceptional ability, or of appointment in the course of the 28 years, to staff posts (*i.e.*, heads of administrative departments and their deputies).

This personnel, which would thus be assured of a real career with the League of Nations, should be given the benefit of definite conditions of service, which would include a limited pension scheme and provision for sickness or other disability.

(*f*) *Members of Section and officers of Equivalent Grades* (*Classes B and A*).—These officers perform important duties. Under the direction of the higher staff they carry out all the intellectual and administrative work of the Secretariat. These require high educational qualifications and in the upper ranges demand very considerable capacity and qualities of initiative and resource.

We are of the opinion that the principle of frequent changes should only be applied to members of this grade of the staff—whose duties are of a diplomatic and political nature similar to those of the higher personnel—in cases where permanent officials can be detached from their national administrations for a definite period of service with the League without losing their rights of pension or promotion, or being troubled by doubts, so harmful to good work, as to their careers in their own countries. We recommend that steps should be taken to secure the loan of the services of such officials wherever possible.

(*g*) The Committee realises, however, that the employment of national officials cannot become the general rule. Moreover, there are certain posts which could not easily be filled by the permanent officials of the National Governments (*e.g.*, Information Section, Technical Experts, Interpreters, etc.), or which would invariably fall to such countries as possess highly organised civil services, a result which would be contrary to the spirit of the League.

There is the further consideration that, if the staff were drawn very largely from national administrations, it might suffer from a tendency on the part of the officials in question to be thinking always of the prospects of advancement in their own countries, and so being tempted to support in certain cases a specifically national, rather than the strictly international, point of view which characterises the League.

(*h*) For these reasons the Committee has finally adopted a general solution in respect of all persons of the staff belonging to this category, namely, long terms of engagement and no system of rotation.

Individual and specialised experience gained on the spot cannot but be of great value to the League.

(*i*) The Committee therefore recommends that, as a general rule, arrangements should be entered into for 21 years, fixing 55 as the age limit and dividing this 21 years into three periods of seven years with the bilateral right to terminate the engagement at the end of each of these periods.

N.B.—Consequently, any persons entering the service of the League when over 34 years of age could only be employed up to the age of 55, and any person entering at a lower age will be able to remain 21 years.

Present members of the Secretariat over 45 years of age who may be judged indispensable may be kept up to the age of 60 years.

(*j*) These provisions will afford sufficient security to members of the staff to enable them to devote themselves to their work without any anxiety as to their future, for only the hope of a definite career will attract them to the service of the League.

At the same time, the vacancies caused by retirement on completion of service, and by the resignations, which may be expected to be fairly frequent in a staff the members of which may at any time desire to return to their own country, should secure sufficient changes of personnel within the different sections of the Secretariat and satisfy the legitimate and natural desires of

the various States to have ample opportunities for sending a fair share of their nationals to the Secretariat.

(*k*) These are, then, the main lines on which the Committee recommend that the conditions of service of the staff should be drawn up. We understand that the Secretary-General wishes to prepare the conditions of service as soon as possible. We agree that this is most desirable, and we think that the members of the different grades might be asked to submit suggestions for consideration. Without prejudice to the indispensable principle of authority, it is essential that these conditions of service should be drawn up only after a thorough enquiry among the interested parties and that they should be in conformity with the wishes of the Secretariat as a whole.

(*l*) We consider that, when the conditions of service have been drawn up, the existing members of the staff should be asked to waive their present contracts in so far as they relate to conditions of service and to re-enter under the conditions of the new scheme. It is not, of course, intended to reduce the salary already authorised for any particular officer, unless with his own express consent in cases where a lower scale is laid down for future occupants of the post. It would, however, be well to recall here the generosity of the heads of departments who have spontaneously consented to considerable reductions in their emoluments.

Details of the salaries proposed for the various grades of posts are given in Appendix I. The scales there suggested are based on the assumption that the officials concerned will be called upon to make at least some contribution towards pension in the form of deferred pay.

The Committee has adopted the principle of a pension and deferred pay scheme and has decided that the League should contribute to the fund in a proportion to be determined later. It has further instructed the Salaries Adjustment Committee to prepare a detailed plan in this connection. This Committee will also examine the question whether it should take into account a proposal made suggesting that the fund should be administered by the persons concerned.

The Committee on Salaries will have to submit a report on this subject, which will then be submitted to the next Assembly, after having been communicated to the Members of the League three months before the meeting of the Assembly.

Pending final decision the Committee expresses the hope that the League of Nations will equitably and generously consider any request which may be made to it either as regards pensions, allowances or assistance.

VIII.—Financial Control.

(*a*) The Committee considers itself bound by its terms of reference to pay particular attention to the system of control of expenditure which has been established in the Secretariat of the League of Nations. The measures to be taken in this connection fall into five divisions:—(1) Preparation of the budget and a Commission of Control, (2) Audit, (3) Financial year, (4) Form of the budget, (5) Disposal of balances.

1. *Preparation of the Budget and a Commission of Control.*—(*b*) In matters of finance the position of the Secretary-General of the League is at the present moment one of some difficulty. The peculiarities of his situation will best be illustrated by recalling the normal financial procedure in a Government Department. The responsible Minister at the head of a spending department has to submit his estimates for amounts of money which he considers he will require to enable him to carry out his policy during the next financial year to the Finance Minister, who conducts the most careful scrutiny into the demands made upon the national exchequer, and only passes such demands as he is prepared to defend in Parliament. In some countries the estimates, in addition, undergo close examination by a budget Committee before they are submitted to Parliament.

Whatever the precise method employed, the principle is the same, namely, that proposals for expenditure shall, before submission to Parliament, first be submitted to a careful scrutiny by a small body capable of giving expert advice, and entirely independent of the body which framed the policy involving the expenditure in question.

(*c*) In the opinion of the Commission, it cannot, therefore, be considered the most desirable procedure that the Secretary-General should submit his proposals for expenditure to the Council and the Assembly before they have been examined in detail by some such body as that indicated above, which is capable of subjecting them to expert and impartial criticism. It is a serious defect of the system as we find it that the Assembly should be without the benefit of such expert advice, and it is equally embarrassing to the Secretary-General that he should be without the opportunity of justifying his proposals in a more ample manner than is possible under the present system.

(*d*) We therefore recommend the creation of a Commission of Control consisting of three to five members, one of whom at least should be a special financial expert chosen by the Council at the request of the Assembly from among the various States Members of the League.

It seems desirable that the Members of the League other than those represented on the Council should be represented in this Commission.

The Commission should meet at the seat of the League once a year for the purpose of investigating in detail the budget of the League of Nations for the ensuing financial year. The date of the meeting should be so fixed as to give sufficient time for its report to be circulated to the States Members of the League, at the same time as the budget proposals, to which it would serve as a commentary. The Members of the League would thus be able to study the budget proposals in the light of the expert opinion of the Commission which had studied them on the spot, and would be in a position to instruct accordingly their representatives at the next meeting of the Assembly.

2. *Audit.*—(*e*) The arrangements proposed above seem to us to satisfy the broad principles which we have enunciated as to the examination of proposed expenditure, but there is another matter of almost equal importance in any financial system.

It is necessary that the Assembly which had voted a budget for certain definite purposes should be in a position to satisfy itself that the money had been applied to those purposes. To attain this end, it is necessary that there should be close co-operation between the Assembly and the persons appointed to carry out the audit. In default of such co-operation, the audit tends to become a formal matter directed to ascertaining whether expenditure is supported by vouchers, rather then to enquiring whether any particular item of expenditure has been duly authorised, and whether the intentions of the Assembly have been properly interpreted.

(*f*) We therefore recommend that the Commission of Control should, at each session, examine the completed accounts of the League for the past financial year as verified by the Auditors provided for in Articles 8 to 10 of the Assembly Recommendation, dated 17th December 1920, on the administration of the finances of the League of Nations. The preparatory examination would be carried out by the expert official referred to below [(paragraph IX (*m*)], who should report to the Commission any cases in which expenditure was unsupported by vouchers, and more particularly any case in which expenditure appeared to have been wrongly or irregularly authorised.

It is particularly necessary that this Commission should examine all cases in which a decision of the Financial Director may have been overruled by written directions from the Secretary-General, whether or not acting on instructions from the Council. To attain this end, it will be necessary that the Commission of Control should have power to call upon officers of the Secretariat to appear before them and explain the circumstances attending any exceptional or extraordinary expenditure.

It goes without saying that the control—especially the financial control—of this Commission will at the same time extend to an investigation of the question whether all the rules and administrative or other principles formulated in the present report have been scrupulously observed, and that it will also apply to the International Labour Office.

3. *Submission of the Budget.*—(*g*) The Committee desires to examine specially, in connection with the financial control, the form in which the budget is to be submitted.

Up to the present the task of the Financial Director in estimating the total expenditure that will be required by the League to meet totally new developments has been one of great difficulty, and it has not been found possible in many cases to make any detailed apportionment of the items of the proposed expenditure of the League under a specific head, *e.g.*, meetings of Conferences. Yet the detailed study of the individual items composing a budget is the only road to economy, and the only method of ensuring proper financial control. Now that the Financial Director has gained so considerable an experience of most of the requirements of the League, on which a detailed estimate can be based, we suggest that the items of the budget should in future be sub-divided more than has hitherto been practicable.

(*h*) Further, we consider that it is desirable that a full comparison should be given in the budget between the expenditure in the current and forthcoming financial years, as regards not only the total expenditure on each item, but also the numbers of staff employed in each grade and the salary of that grade. In these matters the estimates presented to the British House of Commons would appear to be a suitable model, which might be followed by the League of Nations.

We also consider that the expenses incurred on behalf of the Technical Sections should be grouped together in such a manner as to show the total expenses of each Technical Section on staff, travelling expenses, subsistence allowances, postages, publications, etc., including all expenditure incurred in connection with the Technical Committee and Conference which are served by the Technical Section in question. We have made certain detailed suggestions to the Financial Director, who has been able to prepare the budget for 1922 on these lines, and we are satisfied that the requirements indicated above will be fully met.

(*i*) We have, moreover, recommended that the staff should be paid in Swiss francs. After very careful consideration of the many issues involved in this intricate problem, we are of the opinion that the gold franc, as being the most stable monetary unit the world over, should be retained as the unit of account for the purpose of assigning contributions. This, of course, will involve expressing the total income and expenditure of the League in gold francs, but it does not follow that the detailed expenditure under the various heads need also be so

shown. If it were, it would be impossible to make any exact comparison. For instance, a fixed annual expenditure of, say, 5,000 francs (Swiss) might give different figures from year to year when expressed in gold francs.

(*j*) At the present time, the detailed accounts are kept in gold francs, a special officer being required to convert the everyday expenditure in Swiss francs into gold francs at the current rate of exchange.

In our opinion, this procedure is hardly necessary. We recommend that the detailed accounts should be kept in Swiss francs, and that the detailed items in the budget should be shown in Swiss francs. The totals of the votes only should be converted from Swiss francs into gold francs for the purpose of balancing the estimated revenue and expenditure of the League*.

(*k*) The rate of exchange at which this conversion should be made is a matter of some difficulty. In normal circumstances it should be made at par, and there is considerable force in the contention that this course should be followed even at the present time to avoid any element of exchange speculation. This, however, would at the present time involve the payment of higher contributions from the States Members than they would normally be called upon to make. We consider that the right course is to make the conversion in the budget from year at on arbitrary rate, calculated to allow a reasonable margin, and to show the actual results of the conversions effected in an exchange conversion account.

4. *Disposal of Balances.*—The question of the disposal of the balance of revenue over expenditure at the end of the financial year has been brought to our notice. We consider that the course which should be followed in normal times is that such balance should be brought forward into the account of the ensuing financial year, the contributions from the different States Members being reduced accordingly.

The practice hitherto has been that any balance at the end of the financial year has been appropriated to the Working Capital Fund. We see no objection to this procedure, in so far as it has been followed during the early organisation period, but we consider that such appropriations, if made in the future, should first be approved by vote of the Assembly. We consider, further, that if this procedure is to be maintained for the present, it would be desirable that the total of the Working Capital Fund, a part of which, proportionate to its budget, might be at the disposal of the International Labour Office, should be fixed.

A separate Working Capital Account should be annexed to the budget, showing any advances made in respect of over-due contributions, advances made to administrative Commissions, etc., and the reimbursements received in respect of such advances within the past financial year.

IX—Organisation.

(*a*) As stated at the outset of this report, we have been very favourably impressed by the measure of the success which has so far been achieved in the organisation of the Secretariat, an organisation which has had to be constructed on novel lines in order that it might fitly perform the international duties entrusted to it. It is not necessary for us to emphasise the importance of these duties or the fact that few organisations have ever been called upon at so short notice to undertake a task of such complexity and difficulty.

(*b*) It appears to us, however, that, while the salaries hitherto paid to what may be called the founders of the new system have been justified, it should be possible, now that the strain of the initial period of organisation is beginning to pass, to effect certain economies in the staff of the higher personnel, as a result of the experience which has been gained.

After careful consideration of the degree of responsibility which is likely to devolve upon officers of the different grades of the Secretariat, we have come to the conclusion that it should not be necessary to appoint more than one Deputy Secretary-General and one Under Secretary-General to assist the Secretary-General in the work of general control.

It goes without saying that we make this recommendation with regard only to the important economy which would be realised by the suppression of one of the two posts of Under Secretary-General. It is true that we are also of opinion that, from an administrative point of view, a new organisation which included only one Under Secretary-General solely responsible for the interior organisation and permanently employed at the Secretariat would be from the point of view of efficiency, at least as satisfactory as the present organisation.

We have had to consider the question as to whether the organisation of the Secretariat is sufficiently far advanced to allow the reform to be carried out at the first opportunity, in fact immediately. We consider that this is so.

*In the case of the International Office, the Budget and Accounts will be presented to the Secretary-General expressed in Swiss francs only.

Other considerations of considerable weight but of quite a different nature have been brought to our notice, having reference to the important principle that the various nationalities shall, as far as possible, be represented in equitable proportions on the Secretariat and above all, amongst the Directors.

We felt that, under our terms of reference, we were bound to regard the question entirely from the economic and administrative points of view; and have declared ourselves in favour of the immediate realisation of a reform which circumstances have now rendered possible.

(*c*) It appears to us that the functions of the Secretary-General and of his Deputy may, broadly speaking, be defined as comprising:—

(1) The general direction of the work of all the sections in so far as policy and the taking of decisions upon important questions of principle are concerned.

(2) Close personal contact with the Assembly and with the Members of the Commissions and Conferences meeting under the auspices of the League. These meetings are, of course, the very life of the League. Without them the Secretariat would be a mere engine without impulse thrashing chaff in the void. The primary duty of the Secretary-General as representative of the Secretariat is therefore to centralise and co-ordinate its efforts, to keep all the Committees and Conferences in mind of the general policy of the League, and thus help them to arrive at decisions which are in harmony with the lofty aims of which the League is the conscious expression.

(3) The maintenance of close relations with the important political centres of the world —a duty which, as we have already said, involves, at any rate in so far as Europe is concerned, frequent and prolonged absences from the seat of the League.

(*d*) It appears to us that the Secretary-General and his Deputy have hitherto in an excessive degree been over-burdened with questions of interior organisation, discipline and routine, which have involved, *inter alia*, in the case of the Secretary-General, his almost continuous presence at the Headquarters of the League, and that it is essential in the general interests of the League that they should be relieved as far as possible from all responsibilities of this nature.

(*e*) We therefore suggest that all headquarters routine business should, subject to the final approval of the Secretary-General, be assigned to the Under Secretary-General. The latter would thus be placed in permanent charge of all matters connected with interior organisation and finance, discipline, staff questions and routine. He would also supervise those sections which properly belong to what may be called the machinery of the Secretariat and concern its working as a whole, as, for instance, the service of the translation, preparation and publication of documents, and the service of distribution.

This would leave the Secretary-General and his Deputy free to concentrate all the reins of policy in their hands, to supervise the work of the Directors, while leaving to the latter a large initiative so far as the administration of their various departments is concerned.

(*f*) The Secretariat might thus be grouped into a series of international organisations, established in accordance with the terms of various Articles of the Covenant, each driving wheel, as it were, of the machine being responsible to its own Commission or Conference and to the Secretary-General; preparing its own budget, after consultation with the Secretary-General and the Committee concerned, for submission by him to the Council and the Assembly, on the understanding, of course, that the regulations and scales of pay for their staff would follow the general lines prescribed for the Secretariat as a whole.

(*g*) The Technical Committees and Conferences would thus correspond in miniature to the Council and Assembly of the League itself. Each of the Technical Sections would become a small Secretariat under a Director with semi-independent functions working in connection with his own Committee, and preparing the full working material for his own Conferences under the general directions of the Secretary-General and using the general machinery of the Secretariat.

(*h*) We suggest, for instance, that these Sections or sub-Secretariats might be organised as follows:—

(1) Section of the Economic and Financial Commission;

(2) Transit Section;

(3) Section of Public Health, which would be responsible for all social questions and for the proposed international legislation for the control of the Traffic in Opium and other dangerous Drugs;

(4) Political Section;

(5) Section of the Administrative Commissions and Minorities and Mandates, that is, a combination under one Director of the work at present done by two separate Sections;

(6) Press Section.

Should the Council see fit to retain a seventh Director for the time being, it would have the right to do so. To the Sections we would add a Legal Adviser's Branch, which, in addition to giving legal advice to the Secretariat as a whole, would act as a channel of communication between the Secretariat and the newly-constituted Court of International Justice.

(*i*) We have given much attention to the number of officers of the grade of Director shown upon the present establishment, and to the rate of salary now paid to these officers. The present rate is a high one, even allowing for the ultimate reduction which we propose, as shown in Appendix I, and we feel some doubt as to whether it should eventually be necessary to retain the present number of officials paid at this rate. If the above proposals are adopted, we wish it to be understood that the scale of salary which we recommend for Directors is suggested only on the understanding that the number of Directors will not ultimately exceed six, unless new developments take place justifying an increase in the number.

(*j*) It will be seen from Annex 1 that we have recommended the creation of a new grade, that of Chief of Section. This grade is intended to provide for the case where there is work of considerable importance to be undertaken which would normally be assigned to a Director if he were available to take charge of it, but where, because of its temporary character, or for other reasons, although an official with special technical qualifications is needed, the services of a Director are not required.

(*k*) We have not thought it advisable to give any precise indication of the number of the Chiefs of Section or of the proportion of the more costly Members of Section, Class A, to the less costly Members of Section, Class B, nor do we think that it will ever be possible to do so. The work of the Secretariat will undergo constant change; while some branches of its activity may be temporarily on the increase, other branches may be expected to bring their work to a conclusion within a definite limit of time, with the result that the staff required in these branches may at any time be reduced or altogether dispensed with, those who are members of the permanent staff being transferred to other branches. But it is obvious that if the establishment showed a number of the more highly paid posts out of all proportion to the lower, the scales which we propose would not make for economical administration. We therefore insist that, in preparing his budget for any given year, the Secretary-General must bear constantly in mind the necessity for economy and recommend only such promotions to the higher ranks as are really required in the interests of the work*.

(*l*) *Work of the Sections.*—We have examined the statements and proposals of the Commission of Experts as to the conditions under which the work of each Section is carried out.

As regards the Library, the Registry, the Publications and Information Sections, the subordinate services, the supplies and furniture, and the restaurant, we are in full agreement with the Commission of Enquiry, and we venture to draw the attention of the Assembly to those parts of the report of that Commission which deal with the six questions concerned (pages 23-26 and 64-67, paragraphs 85, 86 87, 92, 93, 95, 96, 97, 100).

We propose that the Assembly should, like ourselves, declare its agreement with the proposals and recommendations included in these nine paragraphs.

(*m*) We consider that particular stress should be laid upon the Financial Director's Department.

The Secretariat possesses a currency conversion officer. The changes which we have recommended as to the payment of salaries in Swiss francs and the keeping of the accounts of the League in the same currency permits a saving to be effected by the suppression of this post.

The Appropriation Officer is responsible for insuring that proper provision exists in the budget, in the form of corresponding credits, for each payment, before payment is actually made by the accountant.

We understand that the purpose for which this post was created was to ensure that expenditure was in complete conformity with the provision made in the budget: we consider that this post should be maintained, but, as a consequence of the creation of the Commission of Control, it is clear that in future this officer will receive his instructions from the Commission of Control, and will be responsible to it for any expenses incurred without vouchers or without authorisation.

With regard to the organisation of work, we think that it would be advisable in the near future to organise the routine work of the Finance Section into three sub-sections corresponding to the technical organisations, the Establishment Section and the Printing and Publications Section respectively. The accountant of each sub-section, who would be responsible for checking all bills before payment and for the preparation of salary-lists and cheques, would also collaborate in the compilation of the budget estimates for their respective sub-sections.

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*It is hardly necessary to state that the same observations apply to the International Labour Office. The scales proposed for the Chiefs of Division of the International Labour Office are lower than those suggested for the Directors of the Secretariat. These scales have been proposed advisedly, and it follows that the same sparing use for Chiefs of Section should be made in that Office as is recommended in the Secretariat.

We consider that the present procedure of closing accounts at the end of the financial year, and paying outstanding bills out of similar appropriations for the following year, should be continued; arrangements should, however, be made to secure that orders for payments outstanding for three months should lapse automatically. A special form for orders for payments would be sufficient for this purpose. Such a system would facilitate and hasten settlement of accounts.

(*n*) We consider that it might be desirable, in accordance with the recommendation of the Commission of Enquiry, to combine the work of the Translators and Interpreters Section with that of the Precis-writing Department. This would result in giving the staff of the combined section more variety in their work and would also provide greater elasticity especially at times of pressure. We desire to place on record a statement, which is purely objective, since it is not within our competence to alter the Covenant, that at least one-third of the internal expenditure of the League arises from the compulsory use, prescribed by the Covenant, of the two languages French and English in all official documents.

This statement is not without value in view of the hypothesis that the employment of another language, natural or artificial, is said to be contemplated in some quarters.

(*o*) A very interesting observation on the part of the British Delegate has drawn the attention of the Committee—which in its turn feels bound to draw the attention of the Assembly—to the differences, sometimes considerable, existing between the French and English texts of documents furnished by the Secretariat. This difference is particularly marked in the provisional verbatim records of the meetings of the Assembly and of the Committees. The explanation of these differences is clearly to be found in the speed with which the Secretariat is compelled to satisfy the demands of journalists for information.

It was suggested, at the Committee, for example, that for next Assembly the procedure adopted in certain Parliaments might be followed with advantage, especially the rapid publication of an analytical verbatim record, followed at 24 or even 48 hours' interval by the stenographers' report of the debates after the proofs had been corrected by those interested in the matter in hand.

We wish, in any case, to draw the attention of the Secretariat to the necessity for obtaining closer agreement of the English and French texts of all documents furnished by it.

(*p*) As regards the employment of women in the services of the League, we recognise the justice of the rule laid down in the Covenant that all positions under or in connection with the League shall be open equally to men and women.

We would only wish to draw attention to the difficulties which might arise from the employment of husbands and wives, at least in the same branch of the office.

We welcome the appointment already made of two ladies of proved experience, who may be consulted by the Secretariat on women's questions generally, especially on matters of discipline, and questions of health, morals and welfare.

Vague proposals have been made to the effect that women employed should be compelled to wear a uniform, or at least to dress in dark colours.

A rule of such unpleasant severity seems veritably uncalled for and ill-timed, for the radiant charm of a discreet elegance as displayed in feminine attire creates an atmosphere which is wholly delightful and is far from impairing the quality of the work undertaken in common.

(*q*) As regards the hours of work and leave, we recommend that the working week should be 42 hours a week with a half-holiday on Saturday when the state of work permits.

Whenever possible, time in lieu should be given to the subordinate staff as compensation for overtime, and overtime should not be claimable except for an attendance which exceeds 44 hours a week.

We recommend that an attendance book should be kept for officials of all ranks without exception.

Sick leave on full pay, and after the expiration of a certain period on half pay, should be granted to the staff under regulations similar to those generally in force in public administrations. We are satisfied with the rules already in force with regard to regular leave.

It has been brought to the notice of the Committee that existing regulations concerning leave demand that officials proceeding on annual leave should do so at their own expense. We consider that we should be justified in recommending that the Assembly might fairly confer on the staff the privilege, which would be much appreciated, and relatively inexpensive, of one journey home a year at the cost of the League : provided that this advantage should not be conferred upon members of the staff who have the opportunity during their regular service, and at the expense of the League, of returning home during the current financial year and to spend their normal period of leave there.

Outside the limits of Europe, it would probably be necessary, owing to the far greater cost involved, to give this privilege only once in every two, or, in the case of the most distant countries, every three years. Apart from the fact that it is obviously desirable that members of an international staff should be encouraged to keep in touch with their own nationals, the privilege

of returning home at least once a year would have certain advantages in view of the high cost of living in Geneva, which has often been impressed upon us. In particular, it would enable members of the staff to buy their clothing and personal necessities in their countries of origin. This would relieve them of the necessity of purchasing such articles in Switzerland at prices which are said to be higher than those in their own countries.

PART II—International Labour Office.

I—General Observations.

In Part I of this Report we have made certain observations of a general nature which apply to the International Labour Office no less than to the Secretariat.

But there are certain adaptations and modifications in respect of their specific applications to the International Labour Office which now require to be stated.

Before submitting these considerations which refer especially to the International Labour Office, we venture to draw attention to paragraphs 104—111 (pages 27 and 28, 68 and 69) of the Commission of Enquiry Report, in which are summarised the principles of the International Labour Organisation and of its three divisions : the General Conference, the Governing Body, and the International Labour Office.

Generally speaking, we prefer the observations, for the most part of a favourable nature, made by the Committee of Enquiry with regard to the lines upon which the International Labour Office has, up to the present, been conducted.

We agree that attention should be drawn to the dangers which accompany any excessive diffusion of energy and to the fact that it is essential for the International Labour Office, in its own interests and for its own welfare, to maintain the objective impartiality which is the only reasonable standpoint of an organism whose principal, if not sole, duty lies in the accumulation of the most complete, definite and universal information on all labour questions. It is fair, however, to state that the Commission are fully satisfied that the International Labour Office has hitherto made every endeavour to confine its enquiries and activities within the proper limits, and, above all, to keep in close touch with the Secretariat and the various technical organisations that have been set up in the League of Nations. It seems clearly desirable that the International Labour Office should adhere to this line of conduct.

By reason of the fact that its duties are clearly marked and their application well defined, the organisation of the International Labour Office has been able to be carried out with greater speed and facility than that of the Secretariat, which had to deal with a great number of different subjects, ranging from questions of the most technical nature to political problems of the widest kind.

The duties of the International Labour Office, as understood and carried out by it, can be defined broadly as follows ; the collection of accurate information and statistics about labour problems on an international basis ; the preparation of detailed material which shall lead up to the International Labour Conventions and the following up of the application of the International Conventions by the various national legislatures.

It is only fair to recognise that the International Labour Office has, in a short period, been able to attain a high state of organisation and efficiency.

We have noted the observations contained in the Report of the Commission of Enquiry to the effect that the staff is able, hard-working and enthusiastic, and that, inspired by the overflowing energy and remarkable personal magnetism of their distinguished Director, and recruited with the greatest care, they possess to an unusual degree—whether in the administrative or in the more highly specialised sections—the qualities required.

II—Staff.

(*a*) *Recruitment and Conditions of Service.*—We are of the opinion that, generally speaking, the decisions which were formerly arrived at, as regards the conditions of service and recruitment of the Secretariat, can be applied also to the International Labour Office. They may be summarised as follows : The posts of Director and Deputy Director should be filled by appointments from outside the office ; the subordinate personnel should be recruited locally : the staff of the intermediate grades should be recruited internationally, and should be given long-term engagements. Proportional representation, as far as possible, of the different nationalities on the staff of the International Labour Office is of the greatest importance. Efficiency should, however, be the prior consideration, since the staff must be highly trained and specialised in all questions with which it has to deal before being able to attain the maximum efficiency.

As regards the method of recruitment, the general principles recommended for the Secretariat may be applied with advantage to the International Labour Office.

(*b*) *Salaries.*—The general observations which we have made relating to the salaries of the staff of the Secretariat may be taken as holding good in the case of the International Labour Office with certain qualifications. We recommend that the scale of salaries in Annex 1 should be adopted for this staff.

The Committee has, however, decided to refer to the Salaries Adjustment Committee the question of whether an intermediate scale of salaries should be fixed, as the International Labour Office proposes.

(*c*) *Subsistence Allowances and Frais de Représentation.*—We consider that the rates recommended for adoption in the Secretariat and set out in Annex 3, should also be adopted for the officials of the International Labour Office.

We would also recommend that the question of the *Frais de Représentation* should be taken up and decision arrived at on the lines laid down in paragraphs 37 and 39 of the Report of the Committee of Enquiry.

III—Financial Control.

We consider that the principles underlying the arrangements which have been proposed in Part I of this Report, as to the control of expenditure of the Secretariat, should apply equally in the case of the International Labour Office.

In submitting this view, we have taken into full consideration those articles of the Treaties which have some reference to the financial control of the International Labour Office. We consider, however, that it is essential that the Assembly which is called upon to vote the funds required for the support of the International Labour Office equally with the funds for the support of the League as a whole, should be afforded the same opportunities of controlling the expenditure proposed by the Governing Body of the International Labour Office as we have suggested should be afforded in the case of expenditure of the Secretariat of the League. Owing to the constitution of the International Labour Office, it may, however, be necessary to make certain modifications in the procedure to be adopted.

The present procedure is as follows: The budget of the International Labour Office is first submitted by the Director to the Finance Committee of the Governing Body: and, after approval by the Governing Body as a whole, is transmitted to the Secretary-General of the League for inclusion in the general budget of the League.

It might be objected to the proposal that the budget of the International Labour Office should be discussed again *de novo* by the Commission of Control, that, as 12 Governments have official representatives on the Governing Body, the Governments of the States Members have already had some opportunity, through the agency of their official representatives, of criticising the budget proposals.

This objection, however, seems to us to impose an altogether unfair responsibility on the official representatives of the Governing Body who may be selected primarily for their experience in labour matters and not as financial critics.

Nor does it provide for any adequate criticism by representatives of the Assembly.

We suggest that the position of the Governing Body of the International Labour Office in regard to finances would be more amply safeguarded if four of its members were appointed to meet the Commission of Control to discuss and explain the budget proposals for the ensuing financial year and also to appear before the Fourth Assembly Committee. Two of these representatives should be chosen from among the Government representatives, one from the employers' and one from the workers' representatives. In addition, it might be left to the Governing Body, if they thought fit, to ask that the Director or his Deputy should be allowed to accompany this body as an additional member. We suggest that it would be advantageous that one of these representatives, appointed by the Governing Body, should be accorded the privilege of appearing in the Assembly when the Budget of the International Labour Office is discussed by that body since the discussion of proposed expenditure is bound to be unfruitful unless accredited representatives of the responsible authorities are afforded this opportunity of defending their proposals in person.

Consequently, we propose that the Governing Body of the International Labour Office may send one representative to the Assembly when the budget of the International Labour Office is discussed. This representative, selected by the Governing Body, may speak in the Assembly at the President's invitation, in an advisory capacity The representative this year will be the *Rapporteur* for the budget or the President of the Governing Body.

We consider that the arrangement proposed for the audit of the completed accounts of the League should apply to the International Labour Office without modification.

IV—Organisation.

We have already given reasons why the task of building up the organisation of the International Labour Office has been in some respects easier than the corresponding task as regards the Secretariat.

We do not, however, wish this observation to be allowed to detract in any way from our opinion that the organisation of the Office has been brought to a very high state of efficiency—a fact which will cause no surprise to those who recall the past triumphs of the present Director in the field of organisation.

The Director has received very able assistance in the matter of organisation from the Deputy Director, who is responsible for the control and arrangement of the internal services of the Office.

We have no criticism to make of the manner in which the accounts are kept, or of the general financial arrangements, except that we would suggest that rather more detail might be given in the budget on the general lines indicated in Part I of this Report.

Offices of the International Labour Office.— We have been informed that the International Labour Office has contemplated the possible purchase of the building which it at present occupies.

We have requested that a Sub-Committee should be appointed to enquire into this matter and to express an opinion upon it.

The results of this enquiry, which are fully accepted by the Fourth Committee, are as follows :—

(1) It is not desirable that the International Labour Office should take any steps in the matter of purchase until a definite decision has been reached with regard to the permanent adoption of Geneva as the seat of the League. It is to be hoped that this decision will be reached before next Assembly.

(2) It is clearly desirable that the International Labour Office should own the building which it occupies in whatever city is chosen as the permanent seat of the League.

(3) In the meantime it is preferable to lease the buildings.

(4) The Governing Body of the International Labour Office should be authorised to expend, during the next 12 months, a sum not exceeding 10,000 or 12,000 Swiss francs for the purpose of renting a building in the neighbourhood of the building now occupied and of carrying out certain improvements and alterations.

Organisation of Sections.—In accordance with our terms of reference, we propose to make certain observations on the organisation of the different Sections of the Office, but these observations refer, in general, more to the lines of the future development of the Office than to any specific alteration which might be immediately undertaken.

(*a*) *Cabinet.*—The cabinet system has made it possible for a very high degree of centralisation to be carried out in the administrative work of the Office. Without that system the Director could not have kept himself informed of the many important phases of development in the work of the Office as it grew up, nor would he have been able to maintain direct and personal touch with Governments and important organisations throughout the world. There is no doubt, therefore, that this highly centralised system has been helpful in the organisation period of the International Labour Office. It is, however, undeniable that the cabinet system is bound to diminish, to some considerable extent, the responsibility of the Chiefs of Divisions.

We would like to record our opinion that it may be desirable at some future date, when the work of the International Labour Office has attained greater stability than at present, and when the need for centralisation is less urgent, to give increased responsibility to heads of Divisions with advantage to the general working of the Office.

(*b*) *Allocation of Work to three Divisions.*—At present there are two main Divisions, exclusive of the central services, which are under the special charge of the Deputy-Director—the Diplomatic and the Scientific Divisions.

Before making such observations as occur to us on the work of these Divisions, we would suggest that the co-ordination between these Divisions and Technical Sections is not sufficiently close if considered as a permanent form of organisation. Concentration is not necessarily centralisation, and we suggest that, as opportunity occurs, every effort should be made to attach the work of the Technical Sections more definitely to that of the Divisions. Such a development would seem to indicate that the main work of the Office should be re-grouped into three Divisions, each under a head of Division.

The first would deal with the diplomatic work, *viz.*, the execution of the decisions of the annual conference, and of the commissions arising out of that conference, as also with International Conventions and the task of carrying on negotiations with the various Governments and preparation of work for future conferences.

The second Division would deal with Research, and it would be in this Division that the majority of the Technical Section would be incorporated, the work of the Division being generally to undertake the technical preparation required for the work of the Diplomatic and Publications Divisions.

We think it would be desirable to constitute a third Division for the publication work now assigned to the Scientific Division.

(*c*) *Technical Sections.*—In the preceding paragraph the Committee has suggested attaching certain technical sections to the Scientific Division, while other technical sections would be attached to the present Diplomatic Division.

The only general observation which the Committee wishes to make about the work of this Section is that it considers it of great importance that the practical end in view should be constantly borne in mind.

Although the method of work employed by the staff of the suggested Research Division would be analogous to that of a research worker, it would suggest that out of the almost limitless field for possible enquiries the International Labour Office should, in these early stages of its

formation, prefer enquiries on such subjects as are likely to lead to legislation within the next few years to what might be termed "sounding" enquiries of a general nature, however tempting such researches may be to the general study of industrial and labour problems, and whatever interest they may have possessed in the past from an ideal point of view. The Committee notes with satisfaction that the policy of the Governing Body and of the Director of the International Labour Office has generally conformed to this principle.

(*d*) *Scientific Division.*—We have suggested above that the work at present performed in the Scientific Division might be divided into two parts.

One part would be assigned to a new Research Division to which the Technical Sections would be attached, while the other would be assigned to the Publications and Intelligence Division devoted to the collection and dissemination of intelligence and to producing the publications of the Office.

To this Division we should also assign the record of labour legislation, the Library and the very important work of the Statistical Section. The latter section is at present understaffed and the Committee considers that it might usefully be strengthened.

The collection of information is for the double purpose of keeping the staff of the Office informed of events which affect their work as a whole, and of collating material concerning labour questions—a task of international interest. This function of the International Labour Office is prescribed by Article 396 of the Treaty of Versailles.

The Committee considers, however, that steps should be taken to ensure that the collection of information and the compilation of statistics shall be carried out in close co-operation with the national Governments.

Most of the Labour Ministries of the world now include an Intelligence Section, which studies labour questions abroad. There would thus seem to be a promising field for economy if the national Government Offices concerned could rely on the International Labour Office for all information and statistics relating to labour questions in countries other than their own, and confine their researches to the national aspect only of such questions.

The information thus supplied by the national Government would be codified by the International Labour Office, which in this manner would serve as a clearing-house of intelligence and statistics and relieve the national Governments of the difficult task of collecting information regarding the conditions prevailing in foreign countries.

The Committee appreciates the great importance of the work which the International Labour Office is undertaking in the establishment of a uniform system for the preparation and compilation of statistics. It considers that the relations established in this respect with the Economic and Financial Section of the Secretariat should become closer. The functions of the International Labour Office in this respect should, therefore, be limited to matters of industrial as distinguished from economic interest.

(*e*) *Daily Intelligence.*—The attention of the Committee has been called to the *Bulletin* printed daily in the International Labour Office and circulated by post throughout the world. It has ascertained that the cost of printing and publishing this *Bulletin* alone, not including the cost of postage, amounts to no less than 120,000 gold francs a year. It considers that the *Bulletin* is scarcely useful enough to justify an expenditure on this scale.

It would recommend that its publication, apart from Conference periods, should be normally limited to a weekly or a bi-weekly issue, considering that the information supplied therein is not of such importance that it need be published every day. Among other advantages this would permit of the contract for printing being placed elsewhere than at Geneva, for instance at Lyons, where printing rates are lower.

In view of the length of time before the *Daily Intelligence* is received by its readers—particularly in the more distant countries—the Commission would suggest that its contents should be limited to matters of permanent international interest, and should not deal with current events of an evanescent character, which the Press is certain to bring to the notice of the general public and of persons specially interested.

(*f*) *Library.*—The International Labour Office has, in the opinion of the Commission, done well to purchase the Library of the International Labour Association of Basle. It thinks it is clearly right that the International Labour Office should carry on the work of the Basle Library, and gradually build up a collection of literature on subjects affecting the work of the Office, and it has no fault to find with the choice of books bought. It is, however, essential that great care should be exercised to avoid overlapping with the Library of the Secretariat. The Committee, however, is inclined to think that the organisation of the Library has been framed on rather too ambitious a scale. When once the task of cataloguing the Basle Library has been completed, it should be possible to effect reductions in the staff of the Library, which at present numbers 14.

In connection with the observations on the organisation of the work of the various sections of the International Labour Office, the Committee is of opinion that the Director would be left some latitude in the application of proposals dealing merely with points of detail.

Finally, the Fourth Committee has paid the Commission of Enquiry the most valuable tribute it could hope for by adopting almost all its suggestions.

The President of the Commission of Experts ventures to thank the Fourth Committee on his own behalf, on that of his Colleagues and especially on behalf of Colonel Johnson, whose personal labours were a decisive factor in the achievement of a fruitful and efficient work.

The Fourth Committee has doubtless suggested many reforms, from which it expects, together with an appreciable reduction in expenditure, results at least as great and even greater than in the past from the work of the two principal organisations of the League.

In conclusion the Committee would, however, repeat what it said at the beginning of this report, that the League of Nations should, on the whole, be very grateful for the work already done and the results obtained by the staff of its Secretariat and especially by its higher officers.

SUMMARY OF SPECIFIC DECISIONS TAKEN BY COMMITTEE No. 4.

1st Meeting.—Nothing.

2nd Meeting.—The Committee agreed that the question of the cost of living in Geneva should be referred to the Salaries Adjustment Committee mentioned in the Report of the Committee of Experts, the question of the seat of the League being expressly excepted from this reference.

"Considering that the question of the seat of the League is not governed exclusively by financial considerations, the Committee, in taking note of the opinion expressed in the Report of the Committee of Experts regarding the cost of living in Geneva, which is referred to a special Committee for investigation, leaves the question of the seat of the League to be considered elsewhere."

3rd Meeting.—Any recommendations by this Committee (Salaries Adjustment Committee), must be submitted to the Council (or, in the case of the International Labour Office, to the Governing Body) for their approval before they are put into effect. These conclusions must, however, conform to the budget formally voted by the Assembly.

The Committee agreed to fix a formal rate of 70 gold francs per day for the members of fixed Committees, such as the Financial Committee, which assembled at Geneva or elsewhere periodically to give their assistance to the League. If, for some purpose, the League required the special services of some eminent person, the Council should have liberty to make special arrangements.

4th Meeting.—The total of this fund (Entertainment Fund) should not exceed the total amount of entertainment allowance surrendered by the higher officials of the League.

The Committee recommends that all members of the League should entrust the reservation of accommodation for their representatives and officials visiting Geneva, to the expert official referred to in paragraph 38 of the Report of the Committee of Experts, informing him in good time of the accommodation required, and of the approximate price they are prepared to pay.

It is exceedingly desirable, especially in the higher administrative positions, that the Secretariat of the League of Nations and of the International Labour Office should, as far as possible, be recruited in fair proportion from the various States Members of the League, and that this principle should be carefully borne in mind in filling future vacancies, regard being always had to the requirements of efficiency.

5th Meeting.—These officials (Directors) may, in exceptional cases, be reappointed.

The Committee agreed to maintain the period of engagement at 21 years, as recommended by the Committee of Experts, but agreed to fix the age-limit at 55 years instead of at 50 years. No official could remain in the service of the League more than 21 years or after reaching the age of 55 years.

The Committee adopted the principle of a deferred pay scheme.

The Committee agreed to refer to the Salaries Adjustment Committee the elaboration of the details of this scheme. This Committee would decide whether or no it would adopt the proposal that the Pension Fund should be worked under the management of the parties concerned. The Committee agreed to instruct the Salaries Adjustment Committee to prepare a report on the question for submission to the next Assembly, such report being distributed to the States Members of the League three months before the date of the next Assembly.

6th Meeting.—The Committee agreed to adopt paragraph 42 of the Report of the Committee of Experts relative to the recruitment of staff, with the following modification: The words "recruitment by open competitive examination" should be replaced by the words "recruitment in conformity with the principles laid down in Articles 42 to 54 of the present report."

The Committee agreed to insert in Article 59 of the Report of the Committee of Experts, after the words 'the Council," the words "at the request of the Assembly," and to stipulate that at least one of the Members of the Commission of Control should be a financial expert.

The Committee further agreed not to recommend the appointment of a special financial expert.

7th Meeting.—The Committee agreed to maintain the existing financial year.

The Committee agreed to recommend the principle of the fixation of a maximum of working capital fund and to adopt the recommendations, in the Report of the Committee of Experts, that payments to the reserve fund should only be made with the express approval of the Assembly.

The Committee recommended that the Labour Office should participate proportionally in the working capital fund.

8th Meeting.—The Committee adopted the recommendations of the Committee of Experts that the number of Under Secretaries-General should be reduced to one, and the number of Directors to six, on the understanding that this number could be increased to seven with the approval of the Council.

The Committee agreed to recommend that the Appropriation Officer mentioned in Article 89 of the Report of the Committee of Experts should receive his instructions from and report to the Commission of Control, and to amend in this sense the paragraph in question.

The Committee agreed to recommend the establishment of an Office in Latin America.

The Committee recommended that in future the provisional Verbatim Record of the proceedings of the Assembly should be revised by one or two experts before being published, so as to avoid obvious divergencies between the English and French texts.

9th Meeting.—The Committee agreed to refer to the Salaries Adjustment Committee the question of the desirability of creating, as proposed by the International Labour Office, an intermediate scale of salaries.

The Committee agreed that, during the discussion of the budget in the Assembly, the Labour Office could, on the invitation of the President and with the approval of the Assembly, be represented by one person, but that the four members of the Governing Body referred to in the Report of the Committee of Experts should be empowered to appear before the Fourth Committee and before the Commission of Control.

The Committee agreed, in accordance with the report of the sub-Committee appointed for that purpose, not to recommend the purchase of the building occupied by the International Labour Office.

Annex I.—Rates of salary proposed.

The following are the rates of salary which the Committee recommend should be adopted for future appointments to the Secretariat and to the International Labour Office. It should be understood that these rates have been suggested by the Commission, having regard to the present cost of living in Geneva, and that they should be reviewed, in the manner indicated in Annex II, should the cost of living fall or rise to any considerable degree.

	Minimum.	Increase, Annual.	Maximum.
	Swiss Francs.		
Directors (Secretariat only)	41,000	2,500	53,000
Chiefs of Divisions (International Labour Office only)	38,500	2,000	47,000
Chiefs of Sections	28,000	1,000	33,000
Members of Sections—			
(1) Class A	19,000	800	28,000
(2) Class B	13,700	800	19,000
Senior Clerical Assistants and Secretary Shorthand-Typists	8,700	250	11,250
Bilingual Shorthand-Typists	7,500	250	10,000
Clerical Assistants	7,000	200	9,500
Copying Typists (locally recruited)	(See recommendations of I. L. O.)		

The Committee wish it to be distinctly understood that they consider that the salaries which are now being paid in many cases in excess of those suggested by them above are justified, having regard to the necessity for recruiting especially well-qualified personnel in the organisation period. They are, however, of the opinion that, as soon as normal conditions of work prevail, it should be possible to obtain personnel of the requisite calibre at the rates suggested.

There are certain posts which are not included in the general grading of the Secretariat, as to which the Commission would like to suggest that the appropriate salaries on the occurrence of vacancies should be as follows :—

I. Head of the Interpreters and Translators Department. II. Establishment Officer. III. Head of Précis-Writing Department.	These posts might be graded equivalent to those of Members of Sections, Class A.
IV. Head of Registry	This post might be graded with a special scale of salary of 20,000 Swiss francs, rising by 500 annually to 25,000.
V. Librarian	The holders of this post might receive a special salary of 20,000 Swiss francs. The two chief assistants in the Library should receive salaries on the scale 13,750 by 300 to 16,250 Swiss francs annually.

It was decided to refer to the Salaries Adjustment Committee the question whether a new class of Précis-writers, with a salary from 11,250 to 13,000 Swiss francs, should be introduced into this scale for the International Labour Office only.

Annex II.—Variations in Salary in accordance with Cost-of Living.

I.—*Method of Calculating Variable Portion of Salaries.*

Total Salary.	Method of Calculating Variable Portion.
Below 7,000 Swiss francs	55 per cent. fixed, 45 per cent. variable.
7,000 . . .	3,850 fixed, 3,150 variable.
7,001—8,000 . .	3,150 of first 7,000 + 15 per cent. of salary above that point is variable.
8,000 . . .	4,700 fixed, 3,300 variable.
8,001 and above . .	3,300 of the first 8,000 + 10 per cent. of salary above that point is variable.

II.—*Ready Reckoner.*

Total Salary.	Fixed Portion.	Variable Portion.	Total Salary.	Fixed Portion.	Variable Portion.
Swiss francs.	Swiss francs.	Swiss francs.	Swiss francs.	Swiss francs.	Swiss francs.
7,000	3,850	3,150	18,000	13,700	4,300
8,000	4,700	3,300	19,000	14,600	4,400
9,000	5,600	3,400	20,000	15,500	4,500
10,000	6,500	3,500	25,000	20,000	5,000
11,000	7,400	3,600	30,000	24,500	5,500
12,000	8,300	3,700	35,000	29,000	6,000
13,000	9,200	3,800	40,000	33,500	6,500
14,000	10,100	3,900	45,000	38,000	7,000
15,000	11,100	4,000	50,000	42,500	7,500
16,000	11,900	4,100	55,000	47,000	8,000
17,000	12,800	4,200			

The general principles underlying these tables are as follows :

(1) It is clear that, other things being equal, the smaller the amount of salary received the greater is the proportion of that salary which must be expended on the necessaries of life ; and that, on the other hand, the larger the salary received the greater is the portion of that salary which is available to meet outgoings other than in respect of necessaries, and that these outgoings, in so far as they represent savings, are less affected by temporary variations in the cost of necessaries of life. To the extent that they represent luxury expenditure, the spenders have more opportunity for economies than those who are in receipt of low salaries.

(2) We have, therefore, to suggest some system by which the lower ranges of salaries shall vary in a more direct relation to the variations in the cost of living than the higher salaries. This principle applies, of course, with equal force, whether the cost of living rises or falls.

(3) It is clear from the above that, as the salaries at present paid to the staff, and those recommended by the Commission to be paid, are admittedly based on the existing position with regard to prices, the present scales for the lower grades contain a large proportion of compensation for the present normal cost of living than those for the higher grades.

The system which is usually followed in England and elsewhere is to make percentage additions to the 19.4 standard of remuneration, which are proportionately higher in respect of the lower salaries. But in the present case two important factors necessary to work out calculations on this basis are missing :—

(*a*) It is impossible to conjecture what the 1914 standard of remuneration for the League would have been, as the League did not exist at that date.

(*b*) We have no reliable figures to hand as to the 1914 cost of living in Geneva as compared with the cost at the present time. The statistics which have been presented to us compare only the cost of living in Geneva and London at the time of the removal of the headquarters of the League. It will be the task of the Salaries Adjustment Committee to compare the cost of living in Geneva at various times.

The element of expatriation, which has formed so large an element in arriving at the existing salaries, presents another factor difficult to estimate.

It therefore seems best to take as our starting point the rates of remuneration shown in Annex I, which have been arrived at after taking into full consideration, *inter alia*, the present high cost of living. The method which we propose is that the present salaries should be divided into two parts, of which one part should be fixed, while the other part should vary in exact relation with the variation in the cost of living as ascertained by the Salaries Adjustment Committee. For the reasons given above, the amount of variable salary must be proportionately greater in the lower than in the higher grades, and our tables have been constructed on this basis.

The Commission wish it to be understood, however, that the tables are tentative, and we do not suggest that any modification in the amount of the variable portion would prove fatal to the scheme. On the contrary, we would recommend that these tables should, prior to adoption, be submitted to the proposed Salaries Adjustment Committee, when constituted, for their consideration and observations.

It is suggested that any re-assessing of salaries which may be necessary should be made once every six months, and that the salaries for the coming period of six months should be based on the average rise or fall of the cost of living over the preceding period of six months. The average rise or fall should be calculated in round figures to five decimal points, taking the figure for the present cost of living as represented by 100. Further, as a matter of administrative convenience, it would be advisable until the cost of living has moved by 10 per cent. in either direction, that no variations should be effected in accordance with this scheme.

The arrangements outlined above have been framed without reference to the cases of the Secretary-General, the Deputy Secretary-General, and the Under Secretaries-General, whose salaries have been fixed in pounds sterling on five-year contracts. So far as we are aware, these officials would not have any claim to any increase in their remuneration should the cost of living rise and it might well be claimed that they should equally be exempt from any deduction in their salaries should the cost of living fall, but in all the circumstances we consider that it would be fair that salaries should be subject to some deduction should the cost of living fall. We therefore recommend that, in the case of a fall, but not of a rise, in the cost of living, 10 per cent. only of the salaries of these officials should be subject to variation, in accordance with the cost of living, in the manner indicated in this Appendix. We finally suggest that the same arrangement might fairly be applied to the case of the Director and Deputy Director of the International Labour Office.

Annex III.—Subsistence Allowances.

The following are the rates of subsistence allowances which the Committee recommend should be adopted for members of the Secretariat in lieu of those at present in force :—

Class A :—	
Secretary-General Deputy Secretary-General Under Secretaries-General Directors of Sections	60 Swiss francs a day.
Class B :—	
Chiefs of Sections Members of Sections Personal Assistant of the Secretary-General, of the Deputy Secretary-General and of the Under Secretaries-General Heads of Administrative Departments Chief Interpreter Registrar of Documents Chief Editor Establishment Officer Librarian Secretaries, Chief Accountant Assistant Editor Assistant Director and Deputy Director of the Registry, Interpreters and Translators, Chief Distribution Clerk Head of Stenographers	40 Swiss francs a day.

Class C :—

Any members of the Clerical Staff, other than the above, when travelling abroad to assist at Council or Commission or other League Meetings . .	30 Swiss francs a day for period of a week. 25 Swiss francs a day after the first week.

Note.—These scales are intended to apply to the officials of corresponding grades in the International Labour Office.

ANNEX 5 :—*Report of the Committee No. IV on the Allocation of the Expenses of the League of Nations.*

In execution of the recommendation adopted by the Assembly of the League of Nations in December 1920, a Committee of five Members was appointed by the Council to report on the allocation of expenses. It was composed of MM. Reveillaud (France), Chairman; Barboza Carneiro (Brazil); Alfred Georg (Switzerland); Sthyr, and subsequently de Kauffmann, as substitute for M. Gluckstadt (Denmark); and Sir Henry Strakosch (South Africa). The Report was to be presented to the Council by 31st March 1921. The time at the disposal of this Committee in which to deal with so difficult and complex a question was, therefore, extremely short. It was obviously beyond its powers thoroughly to investigate all possible bases of allocation which might contribute to forming a fair estimate of the "capacity for payment" of the various Members of the League, which was the guiding principle approved by a Committee of the Brussels Financial Conference.

Adequate statistics of national resources were not available, and the Committee, faced with the obligation of submitting a practical proposal within three months, adopted as a measure of the capacity for payment the index obtainable from totals of populations on 31st December 1919, in conjunction with the net revenue for 1913, the last year before the war. The Expert Committee readily admitted that both these indices must remain afar from complete or reliable basis for the purpose in view. They recognised, for instance, that the large native populations of certain extra European countries do not, in many cases, appreciably increase their resources. It was, therefore, laid down that the co-efficient of the population of any State should in no case be estimated as exceeding 5 per cent. of the total population of the States Members of the League. No less readily did the Expert Committee admit the difficulties which arose in determining the amount which could properly be ascribed to net revenue The principle adopted was to add to the gross revenue, derived from taxation, without taking into account the cost of collection, the amounts derived from what may be described as the trading departments of a State (railways, domains, postal service, etc.) from which administrative and running expenses were deducted.

The very long delay which would have been entailed by the collection of documents and evidence to establish the due proportion of local and general expenditure in the budgets of individual components of a Federal State, made it inevitable, under the circumstances, that this consideration should be ignored in the estimates of net revenue adopted by the Expert Committee. Several Members of the Fourth Committee have drawn attention to this omission as seriously impairing the justice of the actual indices adopted. There were, moreover, other considerations which might be advanced against the adoption of the particular year 1913, or, indeed, of any single year, for the determination of net revenue, such as the fact that the revenue depending on imports and exports in certain countries fluctuates very considerably according to the quality of the harvests. To meet the varying circumstances of a number of countries, an average of the revenue of a series of years would provide a more satisfactory basis.

Finally, the unstable character of exchanges, and the general disturbance of economic conditions at the present moment, could not be overlooked. Proposals exclusively based upon the indices adopted could not therefore be regarded as other than approximate and provisional, and the defects in the system, which was found to be the only practical one to adopt in view of the brief time available, are fully recognised by the Expert Committee in their report. They had, however, been able to make comparisons with certain other statistical data which confirmed their view that the results of their labours were reasonably accurate.

The Committee of Experts proceeded to classify all the countries Members of the League in accordance with a mean index number obtained from the two factors of population and revenue. It maintained the system adopted by the Universal Postal Union of grouping the States into categories—a system which incidentally allowed some account to be taken of other factors than the two mentioned above. It concluded, however, that the apportionment adopted for the Universal Postal Union, which is prescribed by Article VI of the Covenant of the League of Nations as the basis of allocation of contributions, could not equitably be applied, and that it was indispensable to modify it in order to prevent injustice being done to the members. On the other hand, the rules of the Universal Postal Union made it clear that no alteration of its classification could be brought about in less than a year or eighteen months, while there was a probability that the alterations advocated by the Expert Committee would themselves prove an obstable to acceptance of amendments by the Postal Union. The Expert Committee therefore submitted that the scheme which they recommended for the allocation of expenses could only be introduced by an amendment in Article VI of the Covenant. Such an amendment would

liberate the Assembly from the obligation of strictly applying the system of the Universal Postal Union.

The proposed new allocation will be found in Table II annexed to the Report of the Expert Committee (A. 40, 1921). In view, however, of the difficulties and delays which an alteration of the Covenant must entail, the Expert Committee, in addition to this proposed allocation, which might hold good until further investigations enabled all the facts of the economic situation to be more precisely established, also submitted a transitional proposal which, it is believed, might be adopted within the present limits of the Covenant, provisionally maintaining the elemental indices of the Universal Postal Union, while at the same time relieving to a considerable extent the States actually included in too high a group.

The provisional allocation is set forth in Table III annexed to the Report of the Expert Committee.

When a discussion of the proposals put forward in the Report of the Expert Committee was opened in the Fourth Committee, it at once became evident not only from the criticisms made orally, but also from a certain number of resolutions which were submitted, that a divergence of view existed as to whether the scheme of allocation set forth in Table II or that in Table III, both of which were regarded as only provisional solutions, was the more acceptable. It was, however, decided that the general sense of the Committee should not be taken on this question until the legal aspect of the situation had been examined.

On the proposal of the Chairman it was decided to invite the First Committee, which has to deal with amendments to the Covenant, to join with the Fourth Committee in appointing a mixed Sub-Committee in which eminent juridical authorities should be included, to examine into, and report on, the legal position. On behalf of the Fourth Committee MM. Adatci (Japan), Fernandes (Brazil), and Trygger (Sweden) were selected to act together with Sir Rennel Rodd, the reporter to the Fourth Committee; on behalf of the First Committee, Captain Bruce (Australia), MM. Noblemaire (France), Osusky (Czecho-Slovakia), with M. Zahle (Denmark) as reporter to the First Committee.

The Italian Delegate took the opportunity of announcing that, by the constitution of Italy, he was precluded from accepting any proposal involving an increased contribution without the sanction of Parliament. He could not therefore assent to any augmentation in the amount allocated to Italy under the Covenant until after the ratification of Parliament had been obtained to an amendment of Article VI. Other delegates expressed similar views.

The question whether exchange, which at the present moment so seriously affects the economic situation of certain Members of the League, should be taken into account in determining the allocation of contributions was raised by the Delegate of Poland, who in this matter spoke also on behalf of Roumania, Czecho-Slovakia, and the Serb-Croat-Slovene State. The Fourth Committee decided, by a majority resolution, that for various reasons of a practical and technical character the consideration of exchange must be excluded.

It was further decided that the numerical order of the groups into which the countries Members of the League were divided, which had led to misapprehensions, should be discontinued, and that countries should be arranged in alphabetical order.

Other Members of the Fourth Committee supplemented the criticisms to which reference has already been made, such as the incompleteness or insufficiency of the indices adopted, by drawing attention to the absence of any special consideration for the countries which had suffered most heavily by the war, and to the somewhat arbitrary nature of the grouping system, which placed in the same category countries whose index figures differed widely, and whose economic situation was not comparable.

The Fourth Committee, however, realising the difficulties which had been encountered and the impossibility of arriving under the circumstances at more than an approximate adjustment, expressed their high appreciation of the remarkable achievement of the Expert Committee which had, within so brief a period, succeeded in presenting an unanimous report and submitting a proposal for the readjustment of contributions which, it was generally admitted, in its main outlines went far to correct the manifest injustices to the existing scale.

The joint Sub-Committee of the First and Fourth Committees after several meetings expressed the unanimous opinion that the actual scale of allocation in force could not be modified without amending the Covenant The Transitional Table III, submitted in the Report of the Expert Committee was, in this respect, in precisely the same position as Table II, and did not offer a provisional solution within the limits of the Covenant.

The Sub-Committee accordingly suggested the following amendments to the Covenant:—

"1. The last paragraph of Article VI of the Covenant shall be replaced by the following:—

"The expenses of the League shall be borne by the Members of the League in the proportion decided by the Assembly."

"2. Provisional Article (to be inserted as an Annex to the Covenant):—

"The following allocation of the expenses of the League shall be applied as from 1st January 1922." (Insert the Table to be adopted by Committee No. 4.)

The following considerations were added in the Report of the joint Sub-Committee :—

"By the new paragraph of Article VI of the Covenant the Sub-Committee adopts the proposal of the Committee dealing with amendments to the Covenant, according to which the Assembly would have the power to determine the scale simply by a Resolution and not by the procedure laid down in Article 26 of the Covenant. In accordance with Article 5 of the Covenant this Resolution will have to be accepted unanimously.

Nevertheless, as the Assembly will be unable to make use of its new faculty until the amendment shall have been ratified, as prescribed in Article 26 of the Covenant; and as, on the other hand, it is absolutely necessary that the inequity, already recognised by the First Assembly, of the present scale of the Universal Postal Union should be modified as soon as possible, the Sub-Committee was of opinion that Amendment of Article 6 of the Covenant should be supplemented by a provisional Article, possessing the same validity as the Covenant, and being subject to the stipulations prescribed in Article 26 of the Covenant. It is obvious that this Temporary Article will only become effective during the course of the year 1922, but once it has become effective the scale to which it refers will become operative as from 1st January 1922, and consequently will cover the whole financial year 1922.

The Sub-Committee is of opinion that the matter can be arranged in the following manner between 1st January 1922 and the date when the provisional Article becomes effective. In January 1922, when the Director of the Financial Administration has to notify to the Members of the League the amounts which they are required to pay for the expenses of 1922, we shall most probably find that we are still under the existing scale of the Universal Postal Union, and the Director of the Financial Administration should therefore inform the Members of the League of the amount of their contribution according to this scale. But there is no reason why the Director should not also inform the Members of the amount of their contribution as calculated under the new scheme. Until the amendment becomes effective, Members of the League could therefore begin by paying either the amount due according to the Postal scale or that due according to the new scale.

The Sub-Committee considers that it should draw attention to Article 13, section (*e*) of the Recommendation adopted on 17th December 1920, by the Assembly on the subject of the Finances of the League. According to this Article the allocation for 1922 should be so arranged by the Assembly of 1921 that Members who contributed in 1921 more than they would have done if the new scheme had been in force should, in 1922, pay a correspondingly smaller amount than their quota and *vice versâ*. If it is determined to retain this readjustment, a question which this Sub-Committee is not competent to consider, Article 13, section (*e*) of the Recommendation of December 1920 should be incorporated in the provisional Article, as it constitutes a modification of Article 6 of the Covenant, and it will be sufficient to substitute 1921 for 1922.

If the allocation to be adopted by Committee No. IV, is the best solution obtainable for the time being, it will nevertheless be extremely desirable that M Reveillaud's Committee should continue its labours. It is only in this manner that the Assembly will be enabled eventually to decide upon satisfactory allocation as prescribed in the new final paragraph of Article 6 of the Covenant."

The fourth Committee, in considering the report of the joint Sub-Committee, dealt first with the concluding paragraph, and had no hesitation in adopting a resolution in the following sense : —

> "The Fourth Committee, recognising that the proposals of the Expert Committee are still susceptible of improvements and adjustments after a more exhaustive investigation of the data, recommends that this Committee, so ably presided over by M. Reveillaud, be reappointed by the Council to continue its labours, and after taking account of the various factors not yet fully examined, to submit a further report indicating such modifications of the allocation provisionally accepted as it may deem equitable."

It is anticipated that these further proposals will be ready for consideration by the Assembly not later than 1923.

The Fourth Committee next adopted the amendment to Article VI of the Covenant (No. 1 above), proposed by the joint Sub-Committee, without modification, and recommended that a paragraph should be added to Article 4 of the Rules of procedure of the Assembly to the following effect :—

> "No proposal for a modification of the allocation of expenses for the time being in force, shall be inserted in the agenda unless it has been communicated to Members at least four months before the date fixed for the opening of the session."

The proposed provisional Article (No. 2 above) to be inserted as an annex to the Covenant, led to a long discussion. It was held by many members of the Fourth Committee that any new scale to be adopted could, for reasons which have been sufficiently indicated above, only be provisional and transitory and that there must be a long delay before even such a transitional arrangement could be ratified by the Powers and made effective, with consequent uncertainty

and risk of serious disturbance in the financial arrangements of the League. Hence it was urged that it would be more practical to maintain the existing allocation of the Universal Postal Union, until a definitive, equitable adjustment had been submitted to, and adopted by, the Assembly. This view was held even by one or two representatives of Powers which stood to gain considerably by the immediate acceptance of a new allocation. Others, however, entertained no doubt that the risks involved were to be preferred to any prolongation of the existing system, which entailed such manifest injustices, and a division showed that a majority of the Fourth Committee were in favour of a new provisional allocation. Of the two alternatives presented by the Expert Committee Table II was adopted in preference to Table III by a large majority, subject to amendments to be considered later.

Having thus come to a decision, in principle, as to the new scale of allocation, the Fourth Committee proceeded to consider whether any alterations in Table II were permissible. In particular, it discussed a proposal of the Polish Delegate that Poland should be included amongst the countries enumerated in the fourth, instead of the third class of Table II. The Committee decided, by a majority, to accept this proposal, taking into account the exceptional grounds on which it was based, especially the contention that Poland was formed out of parts of the three Empires which, in 1913, were in a condition of prosperity not obtaining when her existence as a separate State commenced, and that only an arbitrary estimate of revenue in 1913 had been possible.

The consequent reduction in the contribution of Poland will not make any appreciable difference in the allocations of the other Members of the League, having regard to the recent admission to membership of Esthonia, Latvia and Lithuania. The eventual shares of these States had not been taken into consideration when Table II was prepared by the Expert Committee.

Table II as amended, showing (*a*) the units of contribution ; (*b*) the percentages payable by the existing Members of the League, is given in an appendix.

The Fourth Committee then decided that all other proposals for modification of the scale of allocation and the memoranda submitted in support of them should be referred to the Expert Committee for investigation in connection with the revised scheme which it is to prepare. It will, of course, be open to this Committee to hear the representatives of such countries as desire to express their views, and to present any results which are ready in time, to the Assembly of 1922.

The Fourth Committee recognised the high standard of the memoranda submitted by several of its members, and agreed that both their criticisms and their constructive proposals deserved close study. Had time permitted, the Fourth Committee would have been glad to examine these memoranda in detail. It was forced to recognise, however, that any such examination at so late a period of the present session could have been only cursory and unsatisfactory.

For the sake of greater clearness, and in order that there may not appear to be any contradiction between the terms of Article VI as amended and those of the provisional Article proposed by the joint Sub-Committee, the Fourth Committee agreed to add to the letter the following words :—

> "And shall remain in force until a revised allocation has been accepted by the Assembly."

The question of the date to be inserted in the provisional Article brought under review the issue whether the new allocation was to be retroactive in effect, so as to cover the year 1921. A recommendation in favour of such retroactivity had been adopted in the last session of the Assembly in 1920. This question was very carefully considered and argued in the Fourth Committee, and a certain number of members urgently advocated a readjustment in the sense of that recommendation. They represented that not only they, but their Governments also, regarded the 1920 recommendation as in the nature of a pledge. After a long discussion a large majority of the Fourth Committee declared itself against upholding the recommendation. They contended that at the time of its adoption there was a hope that it would be possible to apply a revised scale for 1922, without amending the Covenant, by arrangement with the Universal Postal Union. They further urged that insistence upon retroactivity would prejudice not only the prospects of acceptance of the provisional Article in the Assembly, but above all the prospects of approval of the new allocation by certain of the Parliaments, and ratification by the respective Governments. Failure in either case would entail, as the only alternative, the maintenance of the old allocation under the Universal Postal Union.

It may be desirable to add a word or two, as to the position of States which may be admitted to membership of the League in future years. The units of expenditure payable by such members cannot be determined under the wording of the provisional Article referred to above. It is suggested that the difficulty would best be met by a specific decision of the Assembly after reference to the appropriate Committees at the time when any new application for membership comes before it.

The task imposed upon the Fourth Committee in considering the many aspects of a question which is by its nature contentious, has been no light one, and in presenting recommendations which appear to be the most practical under present conditions, it must once more

express appreciation of the excellent work accomplished in so short a time by M. Reveillaud's Committee, on which the proposed resolutions are based. Every assistanee has been afforded by the members of that Committee in explaining the principles which have guided their action, and in elucidating the various points which have arisen during the progress of discussions. The Fourth Committee have every confidence that a resumption of the investigation, in the light of further data which may become available, and of the recommendations advanced by various members, will lead to even better results in the future.

In conclusion the Fourth Committee has the honour to propose to the Assembly the following Resolutions which have been adopted, either unanimously or by a majority :—

I.—That the last paragraph of Article VI of the covenant should be replaced by the following paragraph :—

"The expenses of the League shall be borne by the members of the League in the proportion decided by the Assembly."

II.—That the following provisional Article shall be inserted as an annex to the Covenant :—

"The following allocation of the expenses of the League shall be applied as from 1st January 1922, and shall remain in force until a revised allocation has been accepted by the Assembly. :—

States.	Units payable.	States.	Units payable.
South Africa	15	Italy	65
Albania	2	Japan	65
Argentine	35	Latvia	5
Australia	15	Liberia	2
Austria	2	Lithuania	5
Belgium	15	Luxemburg	2
Bolivia	5	Nicaragua	2
Brazil	35	Norway	10
British Empire	90	New Zealand	10
Bulgaria	10	Panama	2
Canada	35	Paraguay	2
Chile	15	Netherlands	15
China	65	Peru	10
Colombia	10	Persia	10
Costa Rica	2	Poland	15
Cuba	10	Portugal	10
Denmark	10	Rumania	35
Spain	35	Salvador	2
Esthonia	5	Serb-Croat-Slovene State	35
Finland	5	Siam	10
France	90	Sweden	15
Greece	10	Switzerland	10
Guatemala	2	Czecho-Slovakia	35
Haiti	5	Uruguay	10
Honduras	2	Venezuela	5
India	65		

III.—That the Assembly, recognising that the proposals of the Expert Committee (A.-40, 1921) are still susceptible of improvements and adjustments after a more exhaustive investigation of the data, recommends that this Committee so ably presided over by M. Reveillaud, be re-appointed by the Council to continue its labours and, after taking account of the various factors not yet fully examined, to submit a further report indicating such modifications of the allocation provisionally accepted as it may deem equitable.

IV.—That the following paragraph should be added to Article IV of the Rules of Procedure of the Assembly :—

"No proposal for a modification of the allocation of expenses for the time being in force shall be inserted in the Agenda unless it has been communicated to Members at least four months before the date fixed for the opening of the Session."

Supplementary Memorandum by the Rapporteur.

The *rapporteur* of the Fourth Committee on the subject of Allocation of Expenses proposes, in submitting the Committee's report to the Assembly, to discuss the following Resolutions :—

(1) (to be substituted for Resolution 2 in the report of the Fourth Committee, page 7 of A. 179, 1921) :

(*a*) That the following paragraph shall be added to Article 6 of the Covenant as amended :—

"The allocation of the expenses of the League set out on Annex 3 shall be applied as from 1st January 1922 until 31st December 1923, unless in the meantime a revised allocation has come into force after adoption by the Assembly."

(*b*) That the following shall become Annex 3 of the Covenant :—

Allocation of the Expenses of the League.

(As in Resolution II, in the Report of the Fourth Committee.)

(2) (Additional Resolution.) "The Assembly is of the opinion that, when a revised scheme of allocation of the expenses of the League has been adopted after consideration of the fresh recommendations of the Expert Committee, it would be equitable that Members of the League which may, with effect from 1st January 1921 and up to the year for which the revised scheme is adopted, have paid more than they are called upon to pay under the operation of such scheme, should be entitled to a refund of the excess amount paid.

"Such refund shall be made as surplus funds accrue and without prejudice to the maintenance of the working capital account of the League at its full normal figure."

TABLES PREPARED BY THE INDIAN DELEGATION.

*Subscriptions payable by each Member of the League under three schemes, on an assumed Budget of 25,000,000 gold francs.**

(The figures in brackets indicate the percentage of the total Budget paid by each State.)

	I. Allocation based on existing classification (Postal Union).	II. Allocation Committee's Definite proposals.	III. Allocation Committee's suggested temporary allocation.
British Empire :—	Gold Francs.	Gold Francs.	Gold Francs.
United Kingdom	1,225,490 (4·9)	2,291,242 (9·16)	1,570,352 (6·3)
Australia	1,225,490 (4·9)	381,873 (1·53)	628,142 (2·5)
Canada	1,225,490 (4·9)	891,038 (3·56)	942,211 (3·8)
India	1,225,490 (4·9)	1,654,786 (6·6)	1,256,281 (5·0)
New Zealand	147,059 (0·6)	254,583 (1·02)	314,070 (1·3)
South Africa	1,225,490 (4·9)	381,873 (1·53)	628,142 (2·5)
Total, British Empire	6,274,509 (25·1)	5,855,395 (23·40)	5,339,198 (21·4)
Albania	49,020 (0·196)	50,917 (0·20)	62,814 (0·25)
Argentine	245,098 (0·98)	891,038 (3·56)	942,211 (3·8)
Austria	245,098 (0·98)	50,917 (0·20)	62,814 (0·25)
Belgium	735,294 (2·9)	381,873 (1·53)	628,142 (2·5)
Bolivia	147,059 (0·6)	127,291 (0·51)	188,442 (0·75)
Brazil	735,294 (2·9)	891,038 (3·56)	942,211 (3·8)
Bulgaria	245,098 (0·98)	254,583 (1·02)	314,070 (1·3)
Chile	245,098 (0·98)	381,873 (1·53)	628,142 (2·5)
China	1,225,490 (4·9)	1,654,786 (6·6)	1,256,281 (5·0)
Colombia	245,098 (0·98)	254,583 (1·02)	314,070 (1·3)
Costa Rica	147,059 (0·6)	50,917 (0·20)	62,814 (0·25)
Cuba	147,059 (0·6)	254,583 (1·02)	314,070 (1·3)
Czecho-Slovakia	735,294 (2·9)	891,038 (3·56)	942,211 (3·8)
Denmark	490,196 (1·96)	254,583 (1·02)	314,070 (1·3)
Finland	490,196 (1·96)	127,291 (0·51)	188,442 (0·75)
France	1,225,490 (4·9)	2,291,242 (9·16)	1,570,352 (6·3)
Greece	245,098 (0·98)	254,583 (1·02)	314,070 (1·3)
Guatemala	147,059 (0·6)	50,917 (0·20)	62,814 (0·25)
Haiti	147,059 (0·6)	127,291 (0·51)	188,442 (0·75)
Honduras	147,059 (0·6)	50,917 (0·20)	62,814 (0·25)
Italy	1,225,490 (4·9)	1,654,786 (6·6)	1,256,281 (5·0)
Japan	1,225,490 (4·9)	1,654,786 (6·6)	1,256,281 (5·0)
Liberia	49,020 (0 196)	50,917 (0·20)	62,814 (0·25)
Luxemburg	147,059 (0·6)	50,917 (0·20)	62,814 (0·25)
Netherlands	735,294 (2·9)	381,873 (1·53)	628,142 (2·5)
Nicaragua	147,059 (0·6)	50,917 (0·20)	62,814 (0·25)
Norway	490,196 (1·96)	254,583 (1·02)	314,070 (1·3)
Panama	147,059 (0·6)	50,917 (0·20)	62,814 (0·25)
Paraguay	147,059 (0·6)	50,917 (0·20)	62,814 (0·25)
Persia	147,059 (0·6)	254,583 (1·02)	314,070 (1·3)
Peru	245,098 (0·98)	254,583 (1·02)	314,070 (1·3)
Poland	1,225,490 (4·9)	891,038 (3·56)	942,211 (3·8)
Portugal	490,196 (1·96)	254,583 (1·02)	314,070 (1·3)
Rumania	735,294 (2·9)	891,038 (3·56)	942,211 (3·8)
Salvador	147,059 (0·6)	50,917 (0·20)	62,814 (0·25)
Serb-Croat-Slovene	490,196 (1·96)	891,038 (3·56)	942,211 (3·8)
Siam	147,059 (0·6)	254,583 (1·02)	314,070 (1·3)
Spain	980,393 (3·9)	891,038 (3·56)	942,211 (3·8)
Sweden	735,294 (2·9)	381,873 (1·53)	628,142 (2·5)
Switzerland	735,294 (2·9)	254,583 (1·02)	314,070 (1·3)
Uruguay	147,059 (0·6)	254,583 (1·02)	314,070 (1·3)
Venezuela	147,059 (0·6)	127,291 (0·51)	188,442 (0·75)
	25,000,000 (100)	25,000,000 (100)	25,000,000 (100)

*This table does not include the new States, Esthonia, Latvia and Lithuania, admitted to the League during the 1921 session of the Assembly, nor does column II allow for the decision to place Poland in the fourth category instead of in the third.

Actual Subscriptions payable by certain States for the year 1922 on the Budget of 20,873,945 gold francs approved by the Assembly.

	Postal Union Scheme (excluding Esthonia, Latvia and Lithuania). (510 units.)		Allocation adopted by the Assembly, based on Allocation Committee's definite scheme (including Esthonia, Latvia and Lithuania). (977 units.)	
British Empire :	Units.	Amount.	Units.	Amount.
United Kingdom	25	1,023,233	90	1,922,886
South Africa	25	1,023,233	15	320,481
Australia	25	1,023,233	15	320,481
Canada	25	1,023,233	35	747,789
India	25	1,023,233	65	1,388,751
New Zealand	3	122,786	10	213,654
Total British Empire	128	5,238,951	230	4,914,042
China	25	1,023,233	65	1,388,751
France	25	1,023,233	90	1,922,886
Italy	25	1,023,233	65	1,388,751
Japan	25	1,023,233	65	1,388,751
Poland	25	1,023,233	15	320,481
Spain	20	818,586	35	747,789
Belgium	15	613,940	15	320,481
Brazil	15	613,940	35	747,789
Netherlands	15	613,940	15	320,481
Rumania	15	613,940	35	747,789
Sweden	15	613,940	15	320,481
Switzerland	15	613,940	10	213,654
Czecho-Slovakia	15	613,940	35	747,789
Argentine	5	204,646	35	747,789
Serb-Croat-Slovene	10	409,293	35	747,789
Chile	5	204,646	15	320,481

ANNEX 6.—*Original Budget of the League (only the main heads are reprinted).*

STATEMENT OF INCOME AND EXPENDITURE FOR 1922.

Expenditure.	Gold francs.	Income.	Gold francs.
A. *League Expenditure.*			
1. Assembly and Council Meetings	1,000,000	1. Ordinary contribution towards normal upkeep	13,451,000
2. General Services of the Secretariat	6,141,000	2. Ordinary contribution towards upkeep of Labour Organisation	8,245,046
3. Special Organisations of League	4,810,000	3. Extraordinary contribution towards capital account	1,572,800
4. Capital Expenditure	1,572,800	4. Extraordinary contribution to replace working capital	500,000
5. Working Capital replacement	500,000		
6. Permanent Court of International Justice	1,500,000		
B. *Labour Organisation.*			
7. Estimates for 1922	8,245,046		
	23,768,846		23,768,846

SUMMARY OF CHAPTERS.

	1922.	1921.
	Gold francs.	
Chapter I. Assembly and Council Sessions	1,000,000	750,000
„ II. General Services of the Secretariat	6,141,000	4,970,000
„ III. Special Organisations of the League :—		
(*a*) Continuing or Permanent	3,935,000	2,955,000
(*b*) Temporary	375,000	525,000
(*c*) Unforeseen	500,000	500,000
„ IV. Capital Expenditure	1,572,800	2,000,000
„ V. Working Capital Fund	500,000	1,890,000
„ VI. Permanent Court of International Justice	1,500,000	650,000
„ VII. International Labour Organisation	8,245,046	7,010,000
Total for 1922	23,768,846	21,250,000
Increase of 1922 over 1921	—	2,518,846

Percentage of increase, 11⅛ per cent.

CHAPTER I.—ASSEMBLY AND COUNCIL SESSIONS.

	Gold francs.	
1. Session of the Assembly	800,000	750,000
2. Sessions of the Council	200,000	...
	1,000,000	750,000

	1922.	1921.
	—	—
CHAPTER II.—General Services of the Secretariat.		
3. Salaries, Wages and Allowances:—	Gold francs.	
(*a*) Secretariat at Geneva	4,000,000	3,255,000
(*b*) House staff at Geneva	220,000	200,000
(*c*) Branch offices personnel	120,000	35,000
4. Travelling expenses of officials of the League:		
(*a*) Removal expenses	50,000	25,000
(*b*) Travelling expenses and subsistence allowances occasioned in connection with general services	150,000	150,000
5. Frais de représentation	210,000	200,000
6. Property Account. Maintenance:—		
(*a*) Headquarters at Geneva	185,000	219,420
(*b*) Branch offices	165,000	65,000
(*c*) House allowance for the Secretary-General at Geneva	21,000	...
Installation at permanent seat of the League (*non-recurring*)	...	25,000
7. Auditors' travelling and subsistence expenses	5,000	5,000
8. Publication Department (exclusive of salaries)	415,000	250,000
9. General Office Expenses	540,000	400,000
10. Interest charges	50,000	75,000
Enquiry as to Organisation of the Secretariat	...	10,000
11. Unforeseen expenses of the Secretariat	110,000	55,580
	6,241,000	4,970,000

Appropriations in aid:—	Gold francs.	
(*a*) Sale of publications (*see* item 8)	35,000	
(*b*) Interest earned (*see* item 10)	50,000	
(*c*) Miscellaneous petty receipts	15,000	100,000
Net total		6,141,000

CHAPTER III.—Special Organisations of the League.

(*a*) *Continuing or Permanent* — 3,935,000 gold francs).

12. Administrative Commissions and minorities' questions	200,000	175,000
13. Economic and Financial	2,310,000	1,000,000
14. Mandates	225 000	225,000
15. Transit	500,000	670,000
16. Permanent Advisory Commission for Military, Naval and Air questions	100,000	285,000
17. International Health Organisation	400,000	400,000
18. Supervision of the Opium Traffic	100,000	50,000
19. Social questions: Traffic in Women and Children, etc.	100,000	150,000

(*b*) *Temporary* (375,000 gold francs).

20. Temporary Commission for the reduction of armaments	125,000	100,000
Central Bureau for the Regulation of Arms Traffic	...	50,000
21. International Blockade Committee	75,000	75,000
22. Repatriation of Prisoners of War	25,000	150,000
23. Commission of Enquiry regarding Deportation of Women and Children in Armenia, etc.	50,000	50,000
24. International Bureaux	100,000	100,000

(*c*) *Unforeseen* (500,000 gold francs).

25. Unforeseen expenditure such as special Commissions of Enquiry, etc. (subject to special vote of Council)	500,000	500,000

	1922.	1921.
CHAPTER IV.—Capital Expenditure.		
(5·50 Swiss francs = $1 = 5·1826 gold francs.)		
	Swiss francs.	
26. Fourth payment on account of balance of purchase price of Hotel National	500,000	500,000
27. Interest estimated at 5½ per cent. on 4,000,000 Swiss francs for six months	110,000	175,000
28. Fifth payment on account of balance of purchase price of Hotel National	500,000	500,000
29. Interest estimated at 5½ per cent. on 3,500,000 Swiss francs for six months	96,250	157,500
30. Payments to maintain the options on adjoining properties:—		
(*a*) "Villa" Property, payable 1st May	5,000	5,000
"Villa" Property, payable 1st November	5,000	5,000
(*b*) "Armleder" Property, payable 1st May	8,333	8,333
"Armleder" Property payable 1st November	8,334	8,334
31. Additions to property of a permanent character	25,000	48,477
32. Furniture and fittings (additional equipment)	110,000	500,000
33. Library Installation:—		
(*a*) Permanent shelving and equipment	125,000	35,000
(*b*) Purchase of books, periodicals, maps, etc.	175,000	200,000
Printing Office	...	250,000
34. Wireless receiving installation	1,207	...
Swiss francs	1,669,124	2,392,644
Gold francs	1,572,800	2,000,000
CHAPTER V.		
	Gold francs.	
35. Working Capital Fund:—		
Balance required for working capital to replace advances made to the following: (amounts estimated as on 31st December 1921)	500,000	1,890,000
(*a*) Aaland Islands Enquiry 100,000		
(*b*) Polish-Lithuanian dispute 200,000		
(*c*) Free City of Danzig 175,000		
(*d*) Anti-Typhus Campaign 25,000		
500,000		
CHAPTER VI.		
36. Permanent Court of International Justice	1,500,000	650,000
CHAPTER VII.		
37. International Labour Organisation	8,245,046	7,010,000

ANNEX 7:—*Original Budget of the Labour Organisation for 1922.*

SUMS CREDITED TO THE INTERNATIONAL LABOUR ORGANISATION OVER AND ABOVE THE SUM VOTED FOR ITS ESTIMATED EXPENDITURE IN 1921.

	Gold francs.
Unexpended balance from year 1920, 33,889*l.* (20 gold francs per 1*l.*)	677,780
Contribution of Germany for 1920, 2,975,256 marks	242,860
Contribution of Germany for 1921	343,750
Estimated subscriptions for Office publications for 1921	100,000
	1,364,390

In regard to the disposal of these sums, the Governing Body, at its meeting of 14th April 1921, approved the following recommendation contained in the report of their Finance Committee:

"It will be a matter for the Assembly of the League of Nations to determine how these sums should be treated; whether they should go in reduction of the contributions required in respect of the cost of the Office during the current year, or whether they should be brought into account in fixing the Budget for 1922. It is suggested that these amounts should be shown in a note appended to the Estimate for 1922, and the view of the Governing Body on the question indicated. The Finance Committee think the best course is to appropriate them in reduction of the expenditure for 1922."

ESTIMATE FOR 1922.

Approved by the Governing Body of the International Labour Office at its Seventh Session, held at Geneva, 12th-14th April 1921.

General Summary.

1921.	Sub-heads.	1922.
Swiss francs.		Swiss francs.
3,837,500	A.—Salaries	4,698,462
397,500	B.—Travelling and Miscellaneous	382,500
1,950,000	C.—Establishment and Office expenses	1,430,000
568,750	D.—Correspondents and collection of Information	584,000
837,500	E.—Conference and Enquiries	680,000
480,000	F.—Non-recurring Expenditure	190,000
178,750	G.—Emergency Expenditure	285,038
500,000	Unappropriated Balance	500,000
12,500	League of Nations Enquiry	—
8,762,500		8,750,000.

Sub-head A.—SALARIES.

Posts,		Sub-divisions.		Gold francs ($ at 6·47825).	
1921.*	1922.			1921.	1922.
1	1	I	Director	72,000	72,000
34	34	II	Cabinet	440,980	434,440
1	1	III	Deputy Director	52,000	52,000
3	4	IV	Deputy Director's Secretariat	29,920	40,320
122	142	V	Central Services	712,050	840,000
29	38	VI	Diplomatic Division	362,200	478,080
78	97	VII	Scientific Division	801,150	1,102,010
40	36	VIII	Technical Services	539,920	479,920
308	353			3,010,920	3,498,770
			Increments and promotion	—	140,000
			Temporary assistance, overtime and emergency	59,080	120,000
				3,070,000	3,758,770
			In Swiss francs =	3,837,500	4,698,462

Sub-head B.—TRAVELLING AND MISCELLANEOUS.

1921.	Sub-divisions.	1922.
Swiss francs.		Swiss francs.
187,500	1. Staff: Travelling expenses and allowances	187,500
75,000	2. Governing Body: Travelling expenses and allowances	75,000
	3. Frais de représentation:	
60,000	Director	60,000
25,000	Deputy Director	25,000
25,000	Chairman of Governing Body (including honorarium, office and secretaria expenses)	25,000
25,000	4. Cantonal and communal subscriptions and other miscellaneous expenses	10,000
397,500		382,500

* These figures include all posts budgeted for, whether for whole or part of year.

Sub-head C.—ESTABLISHMENT AND OFFICE EXPENSES.

1921. Swiss francs.		1922. Swiss francs.
120,000	1. Rent, Heat and Lighting	110,000
65,000	2. Maintenance and Insurance	50,000
250,000	3. Stationery, etc.	250,000
231,250	4. Post, Telegraph and Telephone	200,000
150,000	5. Library (purchases and subscriptions)	100,000
150,000	6. Printing: Official Bulletin (three languages)	150,000
100,000	7. Printing: Studies and Reports	80,000
240,000	Printing: Monthly Review	150,000
30,000	Printing: Legislative Series	30,000
150,000	Printing: Special Publications	120,000
200,000	General Printing: Circulars, questionnaires, reports	150,000
150,000	8. Printing Daily Intelligence	150,000
50,000	9. Transportation and Welfare arrangements for staff	30,000
63,750	10. Unforeseen and incidental expenses	60,000
1,950,000		1,630,000
	Appropriation in aid of sale of publications and advertisements	200,000
	Net Total	1,430,000

Sub-head D.—CORRESPONDENTS' OFFICES.

60,000	1. Paris Office (150,000 Fr. francs)	75,000
132,000	2. London Office (6,000*l.*)	144,000
186,000	3. Washington Office (30,000 dollars)	165,000
10,000	4. Rome Office (40,000 lire)	10,000
20,000	5. Berlin Office (250,000 marks)	30,000
160,750	6. Correspondents and collection of outside information	160,000
568,750		584,000

Rate of Conversion for Budget of 1921.				Rate of Conversion for Budget of 1922.
40	Swiss francs = 100 French francs	= 50	Swiss francs.	
22	„ „ = *1l.*	= 24	„	„
6·20	„ „ = 1 dollar (American)	= 5·50	„	„
25	„ „ = 100 Italian lire	= 25	„	„
8	„ „ = 100 marks (German)	= 12	„	„

Sub-head E.—CONFERENCES AND ENQUIRIES.

1921. Swiss francs.	Sub-divisions.	1922. Swiss francs.
250,000	1. Annual Conferences (hire, preparation of hall, reporting and publication of provisional and final records)	200,000
150,000	2. Enquiries and investigations	150,000
275,000	3. Commissions	200,000
100,000	Printing, stationery, postage, etc., for Commissions	80,000
62,500	4. Emergency expenditure (including temporary staff for Conference)	50,000
837,500		680,000

Sub-head F.—NON-RECURRING EXPENDITURE.

260,000	1. Office, repairs to buildings	100,000
150,000	2. Office equipment and additional furniture	60,000
	3. Typing and calculating machines, duplicators, dictaphones, etc.	30,000
70,000	4. Construction of temporary accommodation or enlargement of office building	*Nil.*
480,000		190,000

Sub-head G.—EMERGENCY EXPENDITURE.

178,750	Emergency expenditure	285,038

ANNEX 8 :—*Report of Committee No. IV on the Financial Administration of the League.*

I.—GENERAL OBSERVATIONS.

The early period of the life of the League was a difficult time from the point of view of finance.

Difficulties arose, on the one hand, from the fact that the League was suddenly confronted by problems which increased every day in number and in importance and which called for expenditure on the part of the League, and on the other hand, from the fact that a system of financial regulations was almost completely lacking. One of the few provisions existing of this matter—that contained in the last paragraph of Article 6 of the Covenant, dealing with allocation of the expenses of the League of Nations—is, moreover, very unsatisfactory.

It appears that the rapid increase in expenditure came to an end at the close of the year 1920. Again it is unquestionable that the very severe strictures by the First Assembly to which the rapid growth of the expenditure of the League had given rise did much to check the tendency which had been criticised. The discussions in the Fourth Committee have, moreover, very clearly again emphasised the earnest desire of the Financial Committee of the Assembly to limit, as far as possible, the expenditure of the League of Nations, and the Fourth Committee is glad to report that the budget, as it is submitted to the Assembly, amounts to only 20,758,945 gold francs, whilst the budget for 1921 amounted to 21,250,000 gold francs.

The other cause of the difficulties was found in the almost complete absence of financial control. Before the meeting of the First Assembly, the Council had already adopted measures to remedy this state of affairs, and the First Assembly, with the same object in view, adopted the Recommendation of 17th December 1920, containing a provisional code of rules for the administration of the finances of the League of Nations. This Recommendation contains provisions for the preparation and the definite adoption by the Assembly of the General Budget of the League of Nations, which includes the Budget of the International Labour Organisation, provisions regarding the procedure to be followed when incurring unforeseen expenditure, regarding transfers from one appropriation to another, regarding the working capital fund, regarding the auditing of the accounts and receipts, and their adoption by the Assembly, and, finally, regarding the allocation of expenditure as between the Members of the League of Nations.

II.—AMENDMENT OF THE RECOMMENDATION OF THE ASSEMBLY, DATED 17TH DECEMBER 1920, ON THE QUESTION OF THE FINANCES OF THE LEAGUE OF NATIONS.

The Recommendation of 17th December 1920 laid the requisite legal foundation for a practical and satisfactory administration of the finances of the League of Nations. While it is true that it covers the whole ground of administration, it constitutes, however, only a first step towards a final settlement of a matter which is of such importance for the life of the League. The First Assembly, therefore, in the Recommendation itself, requested the Council to draw up, for the annual session of the Assembly in 1921, if experience should prove it advisable, a Resolution to strengthen and improve the financial administration. It is evident from the memorandum of the Secretary-General and from the Resolution adopted by the Council on 30th August 1921, that the Council considered that it would not be expedient to draw up final regulations so long as the Assembly had not expressed its opinion in the portions of the Report of the Commission of Experts which dealt with this administration.

The Fourth Committee was completely in agreement with this view, but, as the Assembly has now formulated its opinions on the remarkable work of the Commission of Experts, it is of opinion that the Council should be requested to enter at once on the preparation of the Draft Resolution, in order that it may be submitted to the Members of the League at a very early date, so as to enable the Third Assembly to adopt a final Resolution.

Article 6 of the Recommendation of 17th December 1920 was to the effect that extraordinary expenditure could only be incurred under the last item of Chapter 2 (Article 27 of the Budget for 1921) by virtue of a special resolution of the Council. As regards the Budget for 1921, a similar permission must be obtained for the unforeseen expenditure referred to in Article 25.

While the Recommendation of 17th December 1920 does not authorise the transfer of credits from one item of the budget to an item of another chapter, it provides, for the year 1921 alone, the possibility of transfer from one item of the Budget to another of the same chapter. In accordance with the memorandum of the Secretary-General and the Resolution adopted by the Council on 30th August 1921, even the transfer of credits from one chapter

to another might perhaps be permitted, but the Council merely indicates to the Assembly the expediency of continuing, in 1922 also, transfers of credits from one item to another of the same chapter with the special permission, of course, of the Council. The Fourth Committee agreed to adopt this Recommendation.

The financial paragraphs of the Report by the Commission of Experts (paragraphs 56–71, 88-91 and 126-129) have already been dealt with in M. Noblemaire's Report on the whole work of the Commission of Experts. If the present Report returns to this subject—as briefly as possible—it is because the financial proposals of the Commission of Experts as they were carried by the Assembly entail a certain number of modifications of the Recommendation of 17th December 1920, and must therefore also appear in the present Report.

The Fourth Committee, in the first place, adopts the idea of the Commission of Experts that the Council should be advised to appoint a Commission of Control which should be entirely independent of the body responsible for the measures involving expenditure, and which should lay before the Assembly its opinion on the Draft Budget (paragraphs 57-59). It is of course understood that the appointment of the Commission of Control by the Council does not in any way prejudice the Assembly's right to nominate a similar Committee.

On the other hand, the Committee was of the opinion that it would not be necessary to attach to the Commission of Control a special salaried financial expert, in addition to the Appropriation Officer, whose duty it is to make sure, before any expense is incurred, that there is proper budget provision for it, and in addition also to the auditors mentioned in Articles 8-10 of the Assembly's Recommendation referred to above, whose report will in future be submitted to the Commission of Control. The Committee decided to retain the Appropriation Officer (paragraph 89) and to place him under the orders of the Commission of Control. It recommended, however, that one at least of the three or five members of the Commission should be a financial expert.

The Fourth Committee proposes that the calendar year which had been adopted as the financial year by the First Assembly should continue to be the financial year (paragraphs 63-65). It concurred in the proposals regarding submission of the Budget, (paragraphs 66-70), which, moreover, had already been to a large extent applied in the General Draft Budget for 1922. The Committee also recommends the suggestions of the Committee of Experts contained in paragraphs 88, 90 and 91, relating to the organisation of the Financial Director's Section.

With regard to the Working Capital Fund (paragraph 71), which already occasioned long discussion in the First Assembly, the Committee adopts the proposals contained in paragraph 71. It is of opinion that the maximum amount of the Working Capital Fund might be fixed at 5,000,000 gold francs. Moreover, sums could not be paid into the Fund without the sanction of the Assembly. It follows that the excess of receipts over expenditure, if any, at the end of a financial year, must be carried to the account of the following year. The International Labour Office may, if necessary, obtain assistance, as it has done in the past, from the Working Capital Fund proportionately to its Budget, but it is not to be allowed to have a special fund at its disposal.

Recoverable advances on account of the Working Capital Fund made during the last financial period shall be shown in the statements to be attached to the Draft Budgets in accordance with Article 2 of the Recommendation of 17th December 1920, regarding the administration of the finances of the League of Nations. Finally, the final regulation of the financial administration of the League shall contain definite provisions regarding the administration of the Working Capital Fund.

As regards the financial control of the International Labour Organisation, the Recommendation of 17th December 1920 had already provided for the same guarantees as in connection with the other organisations of the League (paragraphs 126-129 of the Report by the Commission of Experts are based on similar principles). They recommend more especially that the Commission of Control, to which a certain number of delegates of the Governing Body of the International Labour Office could submit the estimates for that organisation, should have the same powers in this connection as over the finances of the other organisations of the League. The fact that the Assembly definitely votes the sum total of the League's Budget has led the Fourth Committee also to adopt the idea that the Governing Body of the International Labour Office should be empowered to make a statement regarding its Budget. The Fourth Committee suggests that the Governing Body should be empowered for this purpose to appoint a representative who might attend in an advisory capacity any meetings of the Assembly dealing with the Budget. It is, of course, understood that such a representative could not rise to speak unless invited to do so by the President.

The question of the allocation of the expenses of the League is dealt with in a special report. Moreover, a certain number of amendments to the Covenant concerning the finances of the League have been studied by the First Commission.

In accordance with the above remarks, the Fourth Committee has the honour to submit the following Recommendation to the Assembly :—

Recommendation.

The Assembly of the League of Nations requests the Council to continue to regulate the finances of the League of Nations in the spirit of the principles contained in the Assembly Recommendation of 17th December 1920, as modified by the following Articles, and by the recommendations laid down in the Report of the Fourth Committee on the administration of the finances of the League of Nations. Further, the Assembly requests the Council to prepare for the annual meeting of the Assembly of 1922 a final resolution regarding the administration of the finances of the League of Nations.

Article 1.—The Assembly recommends the Council to appoint a Commission of Control of three or five members, one of whom at least shall be a financial expert. The Council shall select the Commission from amongst the Members of the League of Nations in such a way as to include Members of the League which are not represented on the Council.

Draft Budgets and other documents contemplated in Articles 1 and 2 of the Recommendation adopted on 17th December 1920 shall be submitted to the Commission of Control before being submitted to the Council. The Draft Budget of the International Labour Organisation shall be laid before the Commission of Control by four members of the Governing Body, two of whom might be selected from the delegates of Governments, one from employers' delegates and one from the workers' delegates. The Governing Body shall decide whether the Director or Deputy Director of the International Labour Office shall be added to the Delegation.

A representative of the Governing Body shall be authorised to attend in an advisory capacity any meetings of the Assembly that deal with the Budget. It is, of course, understood that the representative in question cannot rise to speak except on the invitation of the President.

The appropriation officers, whether members of the Secretariat or of the International Labour Office, shall be responsible to the Commission of Control.

Article 2.—Article 6 shall read as follows :—

" Expenditure can be incurred only by virtue of a warrant signed by the Secretary-General or one of his deputies specially authorised thereto. This warrant shall mention the fiscal period and the budget item to which the expenditure is to be charged, and cannot be given until the official appointed for the purpose (Appropriation Officer) has certified that the item of expenditure is represented in the Budget by a corresponding credit. Unforeseen expenditure, however, can only be incurred under Article 25 of the General Budget for 1922 if it is authorised by a special resolution of the Council, which must be immediately communicated to the Members of the League of Nations. During the year 1922 transfers from one item to another of the same chapter can be effected by virtue of a special resolution of the Council, which must be immediately communicated to all the Members of the League of Nations."

Article 3.—The following sentence shall be added to Article 7 : —

" Additions to this fund, which may not exceed 5,000,000 gold francs, cannot be made except with the approval of the Assembly. If the fund exceeds 5,000,000 gold francs, the excess shall be carried forward to the credit of the next financial period. The International Labour Organisation may continue to obtain, if necessary, assistance from the Working Capital Fund proportionately to its budget."

Article 4.—Insert in Article 9, after the word " auditors," " and to the Commission of Control."

Article 5.—Article 10 shall read as follows :—

" Three months before the annual session of the Assembly, the Commission of Control and the auditors shall present to the Council, or in the case of the International Labour Organisation, to the Governing Body, a Joint Report on the correctness, etc."

III.—Participation in the Expenses of the Technical Organisations of the League by States which participate in the Organisation without being Members of the League.

The Fourth Committee was pleased to note the resolution of the Council of 2nd September 1921, authorising the Secretary-General to request the States which are not Members of the League of Nations, but which form part of the technical organisations of the League, to pay their share of the expenses of the technical organisations in which they participate from the beginning of the fourth financial year of the League (1922). The Commission therefore proposes the following recommendation to the Commission :—

Recommendation.

The resolution of the Council of 2nd September 1921, authorising the Secretary-General to request the States which are not Members of the League of Nations, but which form part

of the technical organisations of the League, to pay their share of the expenses of the technical organisations in which they participate, from the beginning of the fourth financial year of the League (1922), should be incorporated in the final regulations of the financial administration of the League.

IV.—Income and Expenditure Accounts.

In accordance with Article 8 of the Assembly Recommendation dated 17th December 1920, the Council, in a Resolution of 23rd February 1921, requested the Swiss Government to authorise the Audit Department of its Ministry of Finance to undertake the duty of auditing the income and expenditure accounts for the second financial period extending from 1st July to 31st December 1920. The Berne Government has been so good as to instruct M. Ryffel, Head of the Federal Departments of Banking and Accounts, and M. A. Kohler, Deputy Controller of the Federal Finances, to audit the accounts in question. At the request of the Director of the International Labour Office, these gentlemen also undertook the auditing of the income and expenditure account of the International Labour Organisation for the second financial period extending from 1st April to 31st December 1920. The two reports of the expert auditors show that they were completely satisfied with the accounts of the Secretariat and of the International Labour Office.

After a detailed examination of the balance-sheets and of the income and expenditure accounts, the Fourth Committee decided to propose to the Assembly that it should, in virtue of Article 12 of the Recommendation of 7th December 1920, cited above, finally pass the expenditure and receipts of the second fiscal period. The Committee added to this proposal the desire that in the future a cash account should be subjoined to the balance-sheet, and to the income and expenditure account, and that this cash account should also be submitted to the expert auditors, who would also audit the expenditure of the Working Capital Fund account. It must also be understood that the documents emanating from the International Labour Office must no longer be expressed in sterling currency.

In virtue of these remarks, the Fourth Committee has the honour to submit the following Resolution to the Assembly for adoption :—

Resolution.

In virtue of Article 12 of the Recommendation, dated 17th December 1920, on the administration of the finances of the League of Nations, the Assembly of the League of Nations finally passes the expenditure and income accounts for the second fiscal period, terminating on 31st December 1920.

V.—Budget for 1922.

The arrangement of the General Budget for 1922 and the Budget of the International Labour Office, which is attached to it, gives rise to only a few general observations. The Fourth Committee was gratified to note that the suggestions put forward by the Commission of Experts regarding the introduction of the Budget had already in great measure been given effect to in the Draft Budget presented by the Secretary-General. If the estimates for the Labour Organisation are not yet in complete agreement with these suggestions, this is due solely to the fact that the draft had to be prepared at a date when the views of the Commission of Experts were not yet known. The Fourth Committee is satisfied that the Director of the International Labour Office fully shares its views as to the necessity for adopting in the future the same arrangement for the special Budget of the International Labour Organisation, as well as for the schedules and explanatory notes, as for the General Budget of the League.

The estimates laid before the Assembly amounted to a total of 23,768,846 gold francs, of which 8,245,046 gold francs was on account of the International Labour Office. The estimates which the Fourth Committee proposes that the Assembly should adopt amount only to 20,758,945 gold francs, of which 6,135,610 gold francs is on account of the International Labour Office.

This heavy reduction represents economies which it has been possible to realise and which are to a certain extent explained by the fact that the Secretary-General and the Director of the International Labour Office have to present their estimates at the beginning of the year (*see* Articles 1 and 2 of the Recommendation of the Assembly adopted on 17th December 1920). It has been possible to deduct from the Budget of the International Labour Office an item amounting to 1,364,390 gold francs, by the suppression of the Special Working Capital Fund for that organisation, the General Working Capital Fund fixed at 5,000,000 gold francs being sufficient for the needs both of the Secretary-General and of the Director of the International Labour Office. It is clear that it will be impossible to repeat a reduction of this kind next year. Amongst the reductions made by the Fourth Committee, there appears a general reduction of 25 per cent. on everything connected with printing expenses, this being due to the general fall in prices in this department.

Though a considerable number of reductions have been introduced into the Budget, the Fourth Committee also proposes the inclusion of a certain number of new credits, which are largely accounted for by Resolutions of the Assembly itself.

Five schedules are attached to the present Report, the first and fourth of which indicate the modifications entailed by the fact that the Secretary-General and the Director of the International Labour Office are forced to prepare their estimates for the following year as early as the beginning of the financial year. The second schedule sets out the modifications necessitated by Resolutions of the Assembly itself, and the third and fifth schedule, reductions introduced at the suggestion of the Fourth Committee.

The detailed and thorough examination to which the Fourth Committee has subjected the estimates for 1922 has brought to light a very considerable amount of information, and full explanations were asked for and given. As regards details of these questions, this Report can only refer to the minutes of the 13th-17th meetings of the Committee. It is necessary, however, to emphasise a few special points.

If the Fourth Committee has agreed to the credits requested for a subsidiary office for South America (item 3*c* and item 6*b* of the General Budget), it has done so on the clear understanding that this office would not be set up before the Council had drawn up a definite scheme for its organisation.

The Fourth Committee, in proposing that the Assembly should grant a special credit of 45,000 gold francs with the object of publishing the *Monthly Bulletin* in several languages (item 8 of the General Budget), is convinced that the Information Section will exercise a wise selection with regard to these languages and will not neglect Hindustani.

With regard to the special estimates dealing with the various items of the General Budget (special organisations of the League), the Committee calls attention to the necessity for these estimates being as detailed as possible.

The important question of the Working Capital Fund has already been dealt with in section 2 of the present Report.

The question of a new building for the International Labour Organisation has long engaged the attention of the Financial Committee of your Assembly. In this connection the Committee passed the following Resolution :—

> " The Committee, being invited to take a decision on the principle of the acquisition of a building for the International Labour Office, recognises the urgent necessity of a speedy solution of the question, but finds itself to its sincere regret obliged to defer for one year the solution of this important question :
>
> In order, however, to manifest its good-will in this matter, the Committee enters a credit of 20,000 Swiss francs under this appropriation, for the purpose of making plans, estimates, etc., or of making a contract of option in respect of premises for the International Labour Office."

It follows from this Resolution that the Fourth Committte is of opinion that the 1922 Assembly must have submitted to it a definite and precise proposal as regards the definite installation of the International Labour Office. Meanwhile, the Committee proposes that the Assembly should vote a sum of 12,000 gold francs to be set apart for renting a house near the building at present in use, and for the carrying out of certain improvements and re-arrangements (Division F of the Budget of the International Labour Office), and also a sum of 2,000 gold francs (Division H of the same Budget).

To reduce as far as possible the expenditure of the League of Nations the Fourth Committee recommends finally that for the preparation of new estimates, and for such options as may be contracted, all supplies and articles required by the Secretariat or the International Labour Office, where large quantities are involved (for prices exceeding 10,000 francs), should be obtained as far as possible by means of public tender. A detailed advertisement should accordingly be inserted in two leading foreign newspapers, and also in the *Monthly Bulletin* of the League of Nations.

During the present session of the Assembly, in accordance with the fifth Article of the Recommendation of 17th December 1920, a certain number of proposals were made to the Fourth Committee by the Secretariat and the International Labour Office. The result of these proposals was to modify the General Budget and that of the International Labour Office. The Commission is of opinion that in future all modifications of the Budget which the Secretariat or the International Labour Office would wish the Assembly to adopt should be contained in one document and submitted at the beginning of the session of the Assembly.

On several occasions the Secretariat brought before the Fourth Committee supplementary estimates to cover expenditure resulting from resolutions submitted by certain Committees to the Assembly or which had already been passed by it. The Fourth Committee has, without exception, adopted these supplementary estimates, even when the particular Committee had failed to state the sum it deemed necessary for the execution of its draft resolution. The Fourth Committee is of opinion, however, that, in the interest of a satisfactory administration of the finances of the League, the Assembly should never in future pass a resolution resulting in expenditure without first consulting the Financial Committee of the Assembly as to the advisability of incurring such expenditure in its relation with the general possibilities of the Budget. The Fourth Committee has, therefore drafted an amendment to the second paragraph of the Article 14 of the Rules of Procedure of the Assembly and has submitted it to the First Committee.

Finally, and in accordance with the foregoing, the Fourth Committee has the honour to propose the following Resolution to the Assembly :—

Resolution.

"The Assembly of the League of Nations, in accordance with Article 4 of the Recommendation on the administration of the finances of the League of Nations, dated 17th December 1920, accepts for the fiscal period 1922, the General Budget of the League and the Budget for the International Labour Office, which are herewith attached and which will be published in the Official Journal."

I.—MODIFICATIONS IN THE BUDGET PROPOSED BY THE COUNCIL OR THE SECRETARIAT.

Increases.

Item.	Gold Francs.
3 (*a*). Salaries of the Secretariat, Information Section	106,300
8. Publication Department, additional appropriation for *Monthly Bulletin*	45,000
24 (*a*). High Commissariat for Russian Refugees	119,000
34. Wireless receiving installation	2,449
Total increase	272,749

Reductions.

Item.	Gold Francs.
9. General office expenses, etc. (*c*) Cables, etc.	40,000
13. Economic and Financial organisation	736,000
15. Transit: Cancellation of Director's salary	52,500
27. Interest on 4,000,000 Swiss francs for six months	9,423
29. Interest on 3,500,000 Swiss francs for six months	8,245
32. Furniture and fittings	9,423
35. Working Capital Fund	500,000
Total reduction	1,355,491
Total increase	272,749
Net reduction	1,082,842

II.—MODIFICATIONS TO THE BUDGET CONSEQUENT UPON THE ADOPTION BY THE ASSEMBLY OF VARIOUS REPORTS.

Increases.

Item.	Gold Francs.
4 (*c*). Travelling expenses of Members of the Secretariat, returning home on leave	50,000
7 (*b*). Travelling and subsistence allowances of Commission of Control	12,500
(*c*). Expenses of outside persons nominated as Members of the Salaries Adjustment Commission	5,000
15. Transit Organisation (regional conferences)	50,000
20. Temporary Commission for the Reduction of Armaments	275,000
23. Commission of Enquiry on Deportation of Women and Children in Armenia, etc.	50,000
Total increase	442,500

Reductions.

Item.	Gold Francs.
5. Frais de représentation (suppression of the frais de représentation of one Under Secretary-General)	21,000
Total reduction	21,000
Total increase	442,500
Net increase	421,500

III.—MODIFICATIONS IN THE BUDGET PROPOSED BY THE FOURTH COMMITTEE.

Increases.

Reductions.

Item.	Gold Francs.
9. General Office expenses: (*a*) Stationery	50,000
8. Publication Department	103,750
14. Mandates—printing	2,500
15. Transit organisation—printing	6,250
17. International Health Organisation—printing	7,875
18. Supervision of the Opium Traffic—printing	3,750
19. Social Questions—printing	3,750
33. Library	61,248
Total reduction	239,123

IV.—Modifications in the Budget proposed by the International Labour Office.

Increases.	Swiss Francs.
Division C.	
1. Rent, light and heat	30,000
7 (*b*). Printing, legislative series	20,000
9. Transformation and welfare arrangements for staff	50,000
Division D.	
4. Rome office	15,000
Division E.	
1. Annual conference	50,000
Total increase	165,000

Reductions.	Swiss Francs.
Division B.	
1. Travelling expenses of staff and allowances	50,000
Division C.	
3. Stationery, etc.	50,000
4. Post, telegraph and telephone	50,000
5. Library	40,000
7 (*a*). Printing, studies and reports	20,000
8. Printing daily intelligence	30,000
10. Unforeseen expenses	30,000
Division D.	
1. Paris office	3,000
2. London office	12,000
Division E.	
2. Enquiries and investigations	75,000
3. Commissions	50,000
4. Printing, stationery, postage, commissions, etc., for	30,000
Division F.	
1. Office repairs to building	70,000
Total reduction	510,000
Net reduction	345,000

V.—Modifications to the Budget proposed by the Fourth Committee.

Increases.	Swiss Francs.
Division G.	
1. Emergency	34,325
Preparation of plans or purchase of options	20,000
Total increase	54,325

Reductions.	Swiss Francs.
Division G.	
Unappropriated balance	500,000
Total reduction	500,000
Net reduction	445,675

Chapters IV and V.

Total reduction in Swiss francs = 790,675.
Total reduction in gold francs = 745,046.

Summary.

	Reductions. Gold Francs.
I. Modifications to the Budget proposed by the Council or Secretariat	1,082,842
III. Modifications to the Budget proposed by the Fourth Committee	239,123
	1,321,965
	Increases.
II. Modifications to the Budget consequent upon the adoption by the Assembly of various reports	421,500
Net reduction	900,465
IV and V. Modifications in the Budget of the International Labour Organisation (net reduction)	745,046
Surplus credited to International Labour Office	1,364,390
Total reductions	3,009,901
[1] General Budget of the League	20,758,945
Original Budget	23,768,846

[1] The total was subsequently raised to 20,873,945 gold francs, owing to the voting of a credits of 100,000 and 15,000 gold francs for the despatch of a Commission of Enquiry to Albania and for the further meetings of the Committee on Allocation of Expenses. (Appendix II, Resolution No. 20.)

ANNEX 9.—*Traffic in Opium and other dangerous Drugs.*

RESOLUTION ADOPTED BY THE COUNCIL ON THE 28TH JUNE 1921.

The Council of the League of Nations resolves:—

1. That States which are Members of the League and have not signed or ratified the International Opium Convention be invited to do so as soon as possible.

2. That the Netherlands Government be requested to continue its efforts to secure ratification of the International Opium Convention by those States which are not Members of the League.

3. That the Provisional Health Committee of the League, or any other similar organisation, be asked to undertake an enquiry to determine approximately the average requirements of the drugs specified in Chapter III of the International Opium Convention for medical and other legitimate purposes in different countries.

4. That in order to carry out the obligations under Articles 3 and 5 and under Article 13 of the International Opium Convention, the Governments which are parties to the Convention be invited to adopt the following procedure:—

> "Every application for the export to an importer of a supply of any of the substances to which the Convention applies shall be accompanied by a certificate from the Government of the importing country that the import of the consignment in question is approved by that Government and is required for legitimate purposes.
>
> In the case of drugs to which Chapter III of the Convention applies, the certificate shall state specifically that they are required solely for medicinal or scientific purposes."

5. That the special attention of the Contracting Powers having treaties with China be invited to the provisions of Article 15 of the International Opium Convention, so that the most effective steps possible should be taken to prevent the contraband trade in opium and other dangerous drugs.

6. That consideration of the Fifth Recommendation of the Advisory Committee on Traffic in Opium be deferred.

7. That in view of the world-wide interest in the attitude of the League towards the Opium question, and of the general desire to reduce and restrict the cultivation and production of opium to strictly medicinal and scientific purposes, the Advisory Committee on Traffic in Opium be requested to consider and report, at its next meeting, on the possibility of instituting an enquiry to determine approximately the average requirements of raw and prepared opium specified in Chapters I and II of the Convention for medical and scientific purposes in different countries.

REPORT SUBMITTED TO THE ASSEMBLY BY COMMITTEE No. V.

The abuse of opium is a widespread and terrible scourge in many countries; moreover, it has been realised that it was indispensable to combat this evil, but it was quickly perceived that merely national measures were inadequate.

It was felt, therefore, that this scourge could only be overcome by international agreements.

The International Commission, assembled at Shanghai in 1909, was the first move in this direction. It paved the way for the Hague Conference of 1911-12, which resulted in the conclusion of the Convention of 23rd January 1912. This Convention was to come into force on 31st December 1914, but the outbreak of war unsettled everything. However, the authors of the Treaty of Versailles devoted consideration to the opium peril, and, in Article 23 of the Covenant, they entrusted the League of Nations with the duty of controlling the traffic in opium and other dangerous drugs.

The first Assembly decided at its meeting of 15th December 1920 to establish an Advisory Committee, which, three months before the beginning of each meeting, should submit to the Council a report on all subjects referring to the execution of the agreements regarding the traffic in opium. This Committee met on 2nd to 5th May last.

It began by drawing up a questionnaire as to the measures taken to carry out the terms of the Convention, and this questionnaire was sent by the Secretariat to the various Governments. It also drew up six recommendations which were submitted to the Council. The latter took note of them and passed a resolution containing seven paragraphs.

The Fifth Committee of the second Assembly began its labours, therefore, with these data at its disposal, that is to say, the recommendations of the Advisory Committee and the Council's resolution. It was also assisted in its task by the enlightened assistance of two experts, M. van Vettum and Sir Malcolm Delevingne. The Committee noted in the first place that the Council in its resolution dated 28th June (*see* Annex 228 to the Minutes of the 13th Session of the Council), fully approved four out of the six recommendations of the Advisory Committee, but that, on the other hand, it postponed one of these recommendations and widened the scope of another.

It concurred in four paragraphs of the Council's resolution, namely, paragraphs 1, 2, 4 and 5, and also the second recommendation of the Advisory Committee (*see* A. 38, 1921, IV), which was to the effect that each State should make an Annual Report on the carrying out of the Convention. (This recommendation had been approved by the Council, but did not form part of the text of Council's resolution.) But, as differences of opinion had arisen with regard to the other paragraphs, that is to say, Nos. 3, 6 and 7, the Committee appointed a Sub-Committee to reconcile these initial divergencies if possible.

This Sub-Committee held four meetings, and, in spite of the great differences in the views of its members, it was able to arrive at a definite result, thanks to the conciliatory spirit manifested by both sides and thanks also to the skilful guidance of its President, M. de Marees van Swinderen. The report submitted by M. van Swinderen was unanimously adopted by the Fifth Committee.

The Delegates of China and of Siam made a reservation regarding the change proposed in this report as regards paragraph 7 of the Council's resolution.

What, therefore, are the conclusions laid down before the Assembly by the Fifth Committee in regard to the traffic in opium?

They are as follows:—

Besides the four paragraphs, referred to above, of the resolution of the Council dated 28th June, the Committee submits eight recommendations which I shall have the honour of reading to you, and which, I hope, will be accepted by the Assembly.

1. The Assembly concurs in paragraph 3 of the Council's Resolution on the understanding that the enquiries undertaken will be of a scientific character, and that, when they apply specifically to any particular country, they will be made through, or with the consent of, the Government of that country.

2. The Assembly recommends to the Council that, in paragraph 5 of the latter's resolution, it should also draw the attention of the Government of China to Article 15 of the International Convention on Opium.

3. The Assembly recommends to the Council that the enquiry referred to in paragraph 7 of the latter's resolution should be extended to include all opium the consumption of which may be considered legitimate, and that to this end the word "strictly" be omitted, and the word "legitimate" be substituted for "medicinal and scientific." It further recommends to the Council the omission of the reference to prepared opium, that is to say, to opium prepared for purposes of smoking, the complete suppression of which is provided for in Chapter II of the Convention.

4. The Assembly recommends to the Council that the different Governments be invited, where they see no objection, to furnish to the Secretariat, in addition to the official annual report, any information concerning the illicit production, manufacture or trade in opium or other dangerous drugs which they think likely to be useful to the League in the execution of its task.

5. The Assembly recommends the Council to consider whether all nations specially concerned in either the growth or manufacture of opium or other dangerous drugs should not be represented on its Advisory Committee.

6. The Assembly urges those States Members of the League[1] which have not yet signed and ratified the Opium Convention to do so as soon as possible.

7. In order to facilitate the execution of the Convention, the Assembly urges all States Members of the League which are parties to the Convention to signify to the Secretariat as soon as possible their acceptance of the fourth recommendation of the Advisory Committee relating to the requirement of importation certificates.

8. The Assembly recommends the Council to request the Advisory Committee to extend their investigations to include not only the drugs mentioned in the Convention of 1912, but also all dangerous drugs of whatever origin which produce similar effects, and to advise as to the desirability of convoking a further international conference of States which are parties to the Convention, as well as States Members of the League of Nations, with a view to drawing up a Convention for the suppression of the abuse of such drugs.

Having placed before you the various recommendations, I must make the following observations with regard to three of them:—

As regards the second recommendation, the Committee, after having heard the statements of the Delegate of China on the steps taken by the Government of China in respect of the cultivation of opium, is of opinion that, in accordance with paragraph 6 of the Resolution of the Council, the consideration of Recommendation No. 5 of the Advisory Committee may be

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[1] The following Members of the League have not yet ratified the Opium Convention of 1912 nor signed the Protocol of 1914:—Albania, Argentine, Chile, Columbia, Costa Rica, Finland, Paraguay, Persia, Salvador, Switzerland.

The following have ratified the Convention, but not signed the Protocol of 1914:—Denmark, Venezuela.

postponed. The statements of the Delegate of China, of which the Committee takes note are as follows:—

"Between 25th June and 15th August last the Chinese Government appointed seven special High Commissioners to investigate the real situation in eight provinces and two special administrative districts where a recrudescence of poppy cultivation is reported to have been taking place. These Commissioners have started on their mission and some are already beginning their investigations. I believe the Chinese Government will be disposed to make available to the League of Nations the results of these investigations after they are laid before the Chinese Government."

As regards the third recommendation, the grounds for the alterations recommended by the Committee in paragraph 7 of the Council's resolution are to be found in the very special conditions obtaining in various countries, particularly in India. The Indian Delegate has informed the Committee that the number of properly equipped hospitals and dispensaries in India is inadequate to the needs of the population, which over vast areas is without medical assistance. In order to cope with the diseases with which some of these regions are constantly infected, the population has cultivated the opium poppy from time immemorial,* and habitually takes opium in small doses as a prophylactic or an effective remedy. It is this use of opium which cannot be styled purely medical, *i.e.*, that which is prescribed by a physician, that the Committee has in mind in using the term "legitimate."

With regard to the subject of the eighth recommendation, it should be noted that it was at the suggestion of M. Hennessy (France) that the attention of the Fifth Committee was drawn to this subject. M. Hennessy emphasised the abuses due to the sale and consumption of drugs of mineral or chemical origin which are not covered by the terms of the Hague Convention of 1912, observing that the scourge which formerly ravaged the East had since the war become universal, that chemically manufactured drugs were hawked, sold at low prices and consumed in large quantities, and that in view of the fact that the legislation existing in the various countries was insufficient, it was imperative that a further international conference should meet.

I would also draw attention to the representations made by the Persian Delegate, Prince Arfa-ed-Dowleh, as to the desirability of the League of Nations undertaking propaganda work amongst Eastern populations addicted to opium by the distribution of pamphlets pointing out the dangers of consuming this drug.

The question of the control of the traffic in opium and other dangerous drugs is one of world-wide importance and well worthy of the deepest interest of the Assembly. The first step towards establishing the control with which the League is entrusted by the Treaties of Peace was taken by the Assembly last year, and a satisfactory beginning has already been made. No comprehensive survey of the actual position at the present time will be possible until the replies to the questionnaire which has been issued by the Secretariat have been received and analysed. The results of the questionnaire will be laid before the next Assembly. In the meantime, as will be seen from what has been said above, useful steps have already been taken on the advice of the Advisory Committee which will facilitate the execution of the Convention; and the further suggestions which the Fifth Committee has made in this report will, it is hoped, help to advance the matter still further.

Finally, it should be pointed out that the control of the traffic is attended with great difficulties. Attention was called to some of these difficulties in the case of Eastern countries by the delegate of Persia. It is only by an international body such as the League that these difficulties can be overcome; and for this the wholehearted continuous and efficient co-operation of all the Members will be needed. The Committee ventures to appeal to all Members of the League for such co-operation.

ANNEX 10.—*Draft International Convention for the Suppression of the Traffic in Women and Children, as revised by the drafting Committee appointed by Committee No. V.*

Albania, etc.

Being anxious to secure more completely the suppression of the Traffic in Women and Children described in the preambles to the Agreement of 18th May 1904, and to the Convention of 4th May 1910, under the name of "White Slave Traffic";

Having taken note of the Recommendations contained in the Final Act of the International Conference which was summoned by the Council of the League of Nations and met at Geneva from 30th June to 5th July 1921; and

Having decided to conclude a Convention supplementary to the Agreement and Convention mentnoned above:

Have nominated for this purpose as their Plenipotentiaries the President of the Supreme Council of Albania, etc., ... who, having communicated their full powers, found in good and due form, have agreed upon the following provisions:—

Article 1.—The High Contracting Parties agree that, in the event of their not being already Parties to the Agreement of 18th May 1904 and the Convention of 4th May 1910

* *See* paragraph 135 of the Report.

mentioned above, they will transmit with the least possible delay their ratifications of, or adhesions to, those instruments in the manner laid down therein.

Article 2.—The High Contracting Parties agree to take all measures to discover and prosecute persons who are engaged in the traffic in children of both sexes and who commit offences within the meaning of Article 1 of the Convention of 4th May 1910.

Article 3.—The High Contracting Parties agree to take the necessary steps to secure the punishment of attempts to commit, and, within legal limits, of acts preparatory to the commission of, the offences specified in Articles 1 and 2 of the Convention of 4th May 1910.

Article 4.—The High Contracting Parties agree that in cases where there are no extradition Conventions in force between them, they will take all measures within their power to extradite or provide for the extradition of persons accused or convicted of the offences specified in Articles 1 and 2 of the Convention of 4th May 1910.

Article 5.—In paragraph B of the final Protocol of the Convention of 1910, the words "twenty completed years of age" shall be replaced by the words "twenty-one completed years of age."

Article 6.—The High Contracting Parties agree, in case they have not already taken legislative or administrative measures regarding licensing and supervision of employment agencies and offices, to prescribe such regulations as are required to ensure the protection of women and children seeking employment in another country.

Article 7.—The High Contracting Parties undertake in connection with immigration and emigration to adopt such administrative and legislative measures as are required to check the traffic in women and children. It particular, they undertake to make such regulations as are required for the protection of women and children travelling on emigrant ships, not only at the points of departure and arrival, but also during the journey, and to arrange for the exhibition, in railway stations and in ports, of notices warning women and children of the danger of traffic, and indicating the places where they can obtain accommodation and assistance.

Article 8.—The present Convention of which the French and the English texts are both authentic, shall bear this day's date, and shall be open for signature until 31st March 1922.

Article 9.—The present Convention is subject to ratification. The instruments of ratification shall be transmitted to the Secretary-General of the League of Nations, who will notify the receipt of them to the other Members of the League and to States admitted to sign the Convention. The instruments of ratification shall be deposited in the archives of the Secretariat.

In order to comply with the provisions of Article 18 of the Covenant of the League of Nations, the Secretary-General will register the present Convention upon the deposit of the first ratification.

Article 10.—Members of the League of Nations which have not signed the present Convention before 1st April 1922 may accede to it.

The same applies to States not members of the League to which the Council of the League may decide officially to communicate the present Convention.

Accession will be notified to the Secretary-General of the League, who will notify all Powers concerned of the accession and of the date on which it was notified.

Article 11.—The present Convention shall come into force in respect of each Party on the date of the deposit of its ratification or act of accession.

Article 12.—The present Convention may be denounced by any Member of the League or by any State which is a party thereto, on giving 12 months' notice of its intention to denounce. Denunciation shall be effected by notification in writing addressed to the Secretary-General of the League of Nations. Copies of such notification shall be transmitted forthwith by him to all other Parties, notifying them of the date on which it was received.

The denunciation shall take effect one year after the date on which it was notified to the Secretary-General, and shall operate only in respect of the notifying Power.

Article 13.—A special record shall be kept by the Secretary-General of the League of Nations, showing which of the Parties have signed, ratified, acceded to or denounced the present Convention. This record shall be open to the Members of the League of Nations at all times; it shall be published as often as possible, in accordance with the directions of the Council.

Article 14.—Any Member or State signing the present Convention may declare that the signature does not include any or all of its colonies, overseas possessions, protectorates or territories under its sovereignty or authority, and may subsequently adhere separately on behalf of any such colony, overseas possession, protectorate or territory so excluded in its declaration.

Denunciation may also be made separately in respect of any such colony, overseas possession, protectorate or territory under its sovereignty or authority and the provisions of Article 12 shall apply to any such denunciation.

Done at the in a single copy, which shall remain deposited in the archives of the League of Nations.

ANNEX 11.—*Report presented to the Assembly by Committee No. VI, on Mandates.*

Resolution adopted by Committee No. VI.

The Committee, having considered the letter of the 19th September, addressed to its Chairman by the Sub-Committee on Mandates, endorses the views expressed in that letter, and recommends the Assembly to make a communication to the Council in accordance with the suggestion of the Sub-Committee.

Letter from President of Sub-Committee "B" to President of Committee No. VI.

Geneva,
19th September 1921.

Sir,

The Sub-Committee has considered the Draft Resolution handed in at the Assembly by Lord Robert Cecil, in the following terms:—

> "The Assembly regrets the delay which has taken place in the definition of the Mandates, recognises that the Council is not responsible for that delay, and is of opinion that it would be desirable that the Mandates of the 'A' and 'B' classes should be forthwith defined."

2. The Sub-Committee fully endorses the view expressed in the first part of Lord Robert Cecil's resolution. It, too, regrets the delay which has taken place in the definition of the "A" and "B" Mandates. At the same time it recognises that the fault cannot be said to lie with the Council.

3. The action of the Council in this matter is fully set out on pages 46—47 of its Report, which is before the Assembly (A. 9). In brief, being apprised of the objection of the United States to the definition of the Mandates without previous consultation with themselves, the Council determined to defer confirmation of the remaining Mandates until the Government of the United States had an opportunity of expressing their views. It is understood that negotiations between the principal Allied Powers and the United States are still proceeding, that a Memorandum from the United States was received by these Powers only a few days before the Assembly met and that its terms are now under examination. There would seem no option to the Council but to give time for the conclusion of these negotiations before confirming the remaining Mandates.

4. Nevertheless, the Sub-Committee realises that the delay in the issue of the remaining Mandates may cause anxiety and apprehension, anxiety because the trust conferred by Article 22 of the Covenant of the League of Nations on the Mandatories has not yet been fully defined; apprehension lest, in the absence of the completed Mandates, the sacred trust laid down by that Article may not in all respects be fulfilled.

5. The Sub-Committee has not felt it part of its duties to examine the draft Mandates "A" and "B," nor yet to consider the reports which the Mandatory Governments have in some cases, at any rate, submitted to their national Parliaments, and communicated to the Council for information, upon the administration of the mandated territories confided to their charge during their preliminary period. The world, however, will be able to draw its own conclusions from these documents, which are now public property, and from others which will shortly be available, and it is to be hoped that the anxiety and apprehension alluded to in the previous paragraph will be allayed by their perusal.

6. With regard to the "A" Mandates, the Sub-Committee feels that it would be in any case premature to press for immediate action by the Council. It takes note of the fact that the Treaty of Sèvres has not yet been ratified by the Powers. As to these Mandates, the Sub-Committee would only express its hope that, so long as the transitory conditions continue, the administration of the territories in question will still be carried out in the spirit of Article 22 of the Covenant.

The "B" Mandates, however, are in a different category, seeing that they are founded upon the Treaty of Versailles, which has been ratified. Moreover, drafts of all the "B" Mandates have been before the Council since the beginning of the present year. Even if these drafts are still subject to alteration in details, are not the principles enunciated such as could command the approbation of the Council? Finally, the French and British Governments were charged by the terms of the decision of the Supreme Allied Council of 7th May 1919 with the duty of coming to an agreement upon the future of Togo and the Cameroons, which they would recommend the League of Nations to adopt. This agreement has now been reached and it is desirable that the Council should, at the earliest possible opportunity—

(*a*) Formally approve the application of the Mandate system to Togoland and the Cameroons;

(*b*) In particular, adopt, in principle, the declarations signed by the representatives of the French and British Governments on 10th July 1919, as to the respective spheres which are to be placed under the authority of each Government.

7. Accordingly, the Sub-Committee suggests that much will be gained if the Council could be invited by the Assembly forthwith to address a despatch to the Powers entrusted with the administration of the territories referred to in Article 23, paragraph 5, of the Covenant, indicating that, whilst the Council has not felt able to proceed with the confirmation of the "B" Mandates pending the results of the negotiations now proceeding between the principal Allied Powers and the United States, and whilst examination of the details of these Mandates must necessarily be reserved in view of modifications which it may eventually be found suitable to make in the terms of these Mandates the Council is satisfied by its perusal of the drafts (if such should be the case) that generally speaking, the principles there laid down express the high objects which the Covenant has in view and lay down, in a spirit in harmony with that of the Covenant, safeguards for the rights of all Members of the League.

The Sub-Committee would further represent that the Council should now formally approve the application of the Mandates system to Togoland and the Cameroons, and, in particular, adopt in principle the declarations signed by the representatives of the French and British Governments on 10th July 1919, as to the respective spheres which are to be placed under the authority of each Government. Finally, it might be suggested that the Council should express its confidence that Mandatory Powers will continue to exercise the administration of the territories committed to their charge in the spirit of the draft Mandates until such time as the position shall have been definitely regularised.

8. The Sub-Committee feels convinced that this action by the Council, in particular such a communication from the Mandatory Powers, and such a measure of confirmation of the terms of the "B" Mandates, would not only be welcomed by the Mandatory Powers themselves, but would serve as a token to the world of the earnestness of the League in pressing for the speedy realisation of the aims of Article 22 of the Covenant.

APPENDIX IV.

Certain Speeches delivered by the Delegates of India at Plenary Meetings of the Assembly and Resolutions proposed by Sir William Meyer in Committee No. IV.

ANNEX 1.—*Speech delivered by the Right Hon. V. S. Srinivasa Sastri, on the 12th September, in the Debate on the Work of the Council.*

As you have been informed, I come from India, separated from you by many thousands of miles, but I trust you will recognise akin to you, alike in loyalty to the League, in the spirit of humanity, and in zeal for the welfare of our kind. Coming rather late in this debate, I have had the rare advantage of listening to many speeches in connection with our work. I have heard a note here and there of pessimism. I do not wonder. I have heard much criticism, valuable and wholesome to those who are engaged in high and serious tasks, but I am happy to think that the dominant note of all the speeches has been one of hope for the future enthusiasm for the ideals that underlie our work, and for the peace and goodwill amongst the nations of the world that we wish to see established on a firm and unalterable basis. I confess I have been moved to my inmost depths by what I have seen and heard. Hard and cold, indeed, must be the heart that fails to be touched, and touched to noble issues, by a spectacle such as this. The nations of the world foregather from the ends of four continents, representing many shades of colour, many varieties of political and social thought, and many states and grades of culture and advance in all directions—peoples small and great, weak and strong, but all alike weary of the mistaken past, eager for a better day for mankind, and resolved, with bruised and bleeding hearts, to stand by higher ideals for human kind.

And yet one has very often been hearing, during the last few days, of people standing outside the organisation, criticising our work as from a different planet, unconcerned spectators whose only duty is to find fault and fix blame on particular people. I confess I have no patience with that sort of critic. The friendly appraiser of good and evil, who is anxious for improvement, one has use for; one can listen to him with respect and with attention; but to those who will not take a share in the work we can only turn a deaf ear to their cold criticisms. When a man has told me: "The League has not done this," I am inclined to ask whether he is not to blame for it. When he has told me: "There are these tasks still unfinished," I am inclined to ask him: "Why do you not come in and lend a helping hand?" If he says "There is no room for me in the Assembly, which consists only of a certain number of people," my answer to him is that there is work inside the Assembly and there is work outside the Assembly. The work outside is not less important, not less necessary, but sometimes far more difficult, far more onerous and far more exhausting, I may say, than the work inside the Assembly. We want an army of workers in every country to educate the hearts of the people, to make them realise the high aims and tasks of this League of Nations, and, in fact, to be propagandists, in season and out of season, amidst discouragement and cynicism and difficulties of every sort. We can spare many critics of the kind that I have alluded to, and wish for helpers, in this spirit.

We have been bidden to cast our glance down the list of contents to be able to appreciate the magnitude and variety, the delicacy and the difficulty, of the tasks undertaken by the League. That represents, no doubt, a great part of the truth. But I would ask people not merely to be content to look at the table of contents, but to turn also to the inside pages of the Report that has been presented to us. There we shall see accounts of great work undertaken and great work accomplished. It may be that the Report is not presented in an attractive and literary form, but we can read between the lines. We can read the anxiety, we can read the industry, we can read the plans carefully made and vigorously executed for the accomplishment of the record that is down therein. If the League has so far been rather cautious in undertaking work, I ask: Is that necessarily a defect? We all know how long great institutions take to strike root, and as we know that this League is breaking entirely new ground, we should wait in patience for great results, should we not? Do we not know that those who snatch before the time often fail of their grasp and come to grief? Should we rather that the League undertook impossible tasks, came into collision with the Great Powers, and tried to upset and go against human nature, and thus dash all our hopes of the future? Should we not rather praise the League for the cautious steps it takes, so that the first tasks that it undertakes it may carry on to a successful and triumphant conclusion, that it may thereby be enabled in the face of the world to undertake the greater tasks that lie ahead.

I believe in the wisdom of the old proverb that you ought not to bite off more than you can chew. That the League has limited its scope and its activity I regard rather as a merit and proof of wisdom than as an occasion for adverse criticism. Should we not wish for more? Take, for instance, this war between Greece and Turkey. We all wish that it were in the power of the League to have prevented this in the beginning, or to terminate it to-day.

It seems almost as though the nations of Europe had made up their minds that, when human passions are at their worst, instead of allaying and diverting them, the right and proper thing was to let them work themselves out in their malignant fury and virulence.

Take, again, the question of Upper Silesia. What better testimony to the promise that the League has so far held out than that the Supreme Council should, in their perplexity, have yielded up this question of great moment to the solution of this great organisation? It is a great test and a great opportunity for the League of Nations to establish itself in the heart, not only of Europe, but of the civilised world. I know that it is the Council, and not the Assembly, which is charged with the great task of settling this problem. Nevertheless, the Assembly has a mighty rôle to perform in this matter. Whether in this matter of Upper Silesia, or any other great tasks between Powers, the Council has a very delicate and a very onerous responsibility resting on its shoulders. It may do its work with the utmost impartiality, with the most conspicuous ability, with the most unwearied industry; nevertheless, for the results of its work to be acceptable, for its judgments to be taken by the Great Powers concerned; it is necessary that the sympathy and support of the Assembly should be constantly in attendance on the work of the Council at every stage. The Assembly cannot afford to efface itself in this matter. We, representing the different peoples of the world, are in a measure custodians of the peace of the world. We, I dare to say it, are the authentic voice by means of which the conscience of the world will speak. Our duty lies here, to try and understand, to wait in patience till the Council is able to take us into its confidence, and then, with due discrimination and with a sense of responsibility, to stand behind the Council and lend them our hearty support. The Council will find it necessary, therefore, from time to time to be in living touch with opinion in the Assembly, with the wishes and feelings of the Members represented here, and likewise, also, at every stage to publish such records as may be safely published, so that they may have behind them, as I said, always the moral support of the Assembly. I do not say that the Council are going to fail in giving this due publicity, but I think it is necessary, from every point of view, to add our voice to the great demand that has been made on them so far by demanding that this publicity should never at any moment be neglected.

It is just possible that in the greatness of their task the Council may feel deterred by undue public criticism. It is just possible—who knows? We are dealing with human nature—it is just possible that they may sometimes like to wrap themselves up in oligarchic mystery. It is necessary, therefore, for the Members of this Assembly to assure them that, if they treat us in the proper spirit, their goodwill and confidence will be reciprocated in abundant measure, and rewarded a thousand-fold. We, for our part, have often been criticised as representatives of the little Powers, more or less, like units in a democratic Assembly, to be treated with consideration, but never to be fully trusted, and oftentimes to be set aside as noisy brawlers.

Brother and Sister Delegates, criticism of this sort is bound to come. We know there are always plenty of people who rail at democracy, democracy whether amongst individuals or amongst the nations of the world. We have, therefore, to remember that, in the face of hostile opinion, we have got to establish ourselves as people who will do their great duty without fear or favour. Some of us may be small, and may be threatened by the larger Powers around us; others amongst us may be in search of commercial and trading facilities, and may find it necessary therefore, if they are prudent, to accommodate ourselves to the selfish plans of other people. I think that our supreme duty lies in believing, as has been pointed out by the Delegates from Belgium and Persia, that we not here to further the interests of the countries

which we may happen immediately to represent, but we must constantly bear in mind that we are, each and every one of us, bound to act in the interests of all the others; that we are cosmopolitan really, that we are citizens of the world, and not merely of the limited countries which we happen for the moment to represent. We must resolutely refuse to be bought by any bribe, whether of political privilege or of trade facilities. We must not be daunted by fears of aggression by powerful neighbours, and we must, without haste and without rest, proceed, in the daily work here, to speak and to vote in obedience solely to our conscience and our sense of duty.

Now, from the particular view of India, I have a few observations to make to which I solicit your kind and indulgent attention. One word in the beginning I must say about disarmament. On this subject we have heard weighty opinions. Mr. Balfour, in particular, in a cautious and impressive speech, marked by that fine poise and balance for which he is famous amongst the philosophers and statesmen of the world, has told us to be patient a little, and not to expect considerable results in this direction. He has reminded us that, although the war has harrowed and chastened our feelings in a very considerable measure, the character of humanity is not yet radically altered. In his own words, we do not yet constitute a peaceable world. That was quite true, when one comes to think of it, but how I wish—how, I take it, you all wish—that, for once, Mr. Balfour was in the wrong, and it was possible to promise ourselves in the immediate future a large measure of general disarmament amongst the Powers of the world. India, distracted and suffering under anxieties of a particular kind, with resources of a very limited character, largely undeveloped, would welcome disarmament, because you may remember that, although the quarrel was not ours, we willingly and gladly came into the war with our own little bit.

But, even assuming that general disarmament on a considerable scale was undertaken, it is very doubtful how far India will come in for a great share of it, for her troubles, unfortunately, come from Afghanistan and from Russia, and to some extent from Turkey also, all three of them Powers which to-day stand outside the League, but which, we hope, on some near date, will come within our League and partake of its spirit of conciliation and pacification. The attitude of India towards this League is well illustrated by the measures that our Government have so far taken to carry out the resolutions and proceedings of the Washington Conference on Labour. That great Conference was attended by the usual quota of Indian representatives. As soon as they came back they reported to us, and the result is that, almost alone amongst the Great Powers, India has not only ratified the Convention which she was bound to ratify, but she has also put on her Statute Book a law dealing with the various aspects of the labour problem dealt with at that Conference. And we have another measure, now in contemplation, and we shall proceed with the task and complete it before our next session is over.

I wish it were possible to claim for many other nations that they have also ratified and undertaken legislation in pursuance of the resolutions of the Washington Labour Conference. Nevertheless, when it comes to giving us some representation on the Bureau of the International Labour Conference, we are told that we are not amongst the great industrial Powers of the world, and we are put aside. I hope that, when the next occasion comes round for considering this matter, the claims of India as a great industrial Power, determined to be loyal to the resolutions of the Labour Conference, will be treated with greater consideration.

Then, I have two grievances to bring before you. Without grievances we cannot live, as most of you know. One of these grievances is easily remediable. The other grievance I will not say is irremediable, but it is less susceptible of a remedy.

The first grievance relates to our representation in the Secretariat of the League. I will not go into figures. I am anxious to keep on the right side with the Secretariat, and I will not antagonise them by going into any vast array of figures. But I wish to say one thing. When we are taxed for the expenses of the League, we are ranked very high indeed. We come in the first or the second class. Last time we paid about 4·8 per cent. of the expenses, and, under the new scheme, we are told we must go up to about 6 per cent. or a little over. I will mention only one or two things in this connection. Of about 351 Members of the Establishment, 138 are British, 73 are French, 16 are Swiss, and the Americans, who are not yet Members of the League—I do not grudge their share—come in for 13. Where does India stand? She has one solitary representative. I do not ask for an increase in our representation as any reward for our virtue; but I offer this suggestion to the League with every confidence: that our men, taken from the disciplined ranks of our public services, will be found not inferior to any in the world with whom they may be brought into competition, either for efficiency or for industry, or for devotion to their work, and, as a highly evolved system of administration, which has justly received the encomiums of competent critics throughout the world, I can assure the Secretariat that they will receive much valuable assistance from the Members of our Services, if only they will be good enough to take them in.

Now, for the grievance which is somewhat less remediable, and I would ask the Assembly to listen to me with some indulgence, for this is a somewhat delicate question. I refer to Mandates. Lord Robert Cecil, whose services to the League, whose zeal for her cause, and attachment to her ideals are beyond praise, has already tabled a resolution on this subject, and the President has admonished us that it would be wise to defer detailed criticism on this

question until the Committee to which it is entrusted has reported on the subject. Now, I abide by that ruling; but my question is concerned not with the "A" and "B" Mandates with which that Committee is concerned, but with the "C" Mandates, which the Assembly, I understand, accepted last year and passed for operation. The "C" Mandates are entrusted to certain Powers whose territories lie near the mandated areas. I will read from the Article the part which deals with the point that I wish to bring before you. It says that the Mandatories ought to administer the Mandated Territories under their own laws as integral portions of their territories—"under their own laws."

Brother and sister delegates, some of these Powers that have received the "C" Mandate have laws and regulations, and habits of administration derived from those laws and regulations, which, in effect, introduce a colour bar, make invidious distinctions between white and coloured races, and in general do not hesitate to subject coloured populations within their areas to certain hardships and, I am sorry to add, even indignities. It will be in their power to apply such laws and regulations and habits of administration, under the Mandates, to those areas.

Let us remember, in the first place, that in those areas (I am referring in particular to German West Africa) the Germans did not make a colour bar or introduce these invidious distinctions; and, furthermore, these Powers receive Mandates and execute them on behalf of the League. To use language used in another part of the Covenant, they are to regard the liberties of their subjects as a sacred trust of civilisation. Nothing has, so far, been done to occasion any complaint on my part. I am anxious, however, to take time by the forelock, and to request these Mandatory Powers to use their wide powers with discretion, and with a due regard to the sacred character of the trust that they have undertaken. In other words, to behave worthily of the great and noble objects of the League of Nations, and not merely to be content to act in conformity with their own imperial ideas. I appeal, in particular, to my friends, Lord Robert Cecil and his worthy and distinguished colleagues in the representation of South Africa in this League, so to use their undoubted moral authority and influence that neither I nor my successor in the representation of India, nor Japan, the permanently represented Power in the Council, which has also had occasion to protest against the terms of this Mandate, will find it necessary to come on this platform and tell the Assembly that we are worse off under the trustees of the League than we were under the Germans. Either rectify matters, or put us back where we were. It would be a matter of the profoundest regret for any of us to come and speak in that fashion in the Assembly. I have no doubt that it would cause you great pain and grief to hear such a thing. I venture to think that it will also be to the Council, who have issued these Mandates, a matter of great uneasiness and searching of heart.

ANNEX 2.—*Action by Sir William Meyer on the Subject of the Organisation of the Secretariat.*

A.—RESOLUTION PROPOSED IN COMMITTEE IV.

"That the national composition of the Secretariat of the League and the International Labour Bureau, as set forth in the appended statements which are compiled from statistics supplied by these two offices, is eminently unsatisfactory, some States having a representation out of all proportion to their population or their contributions to the League, while others are most inadequately represented, or not represented at all.

"To remedy this state of things, it should be laid down that hereafter no country shall have a higher percentage of the staff of the Secretariat or of the International Labour Bureau than would amount to double the percentage it subscribes to the League expenses, and that where this proportion is now materially exceeded, no further recruitment shall be made from the countries in question.

"Also, that where the excess staff consists in some degree of people under purely temporary engagements, steps should be taken as soon as possible to terminate these engagements in favour of nationals of other States who have not obtained their proper representation in the offices in question."

B.—SPEECH DELIVERED BY SIR WILLIAM MEYER IN THE ASSEMBLY ON THE 1ST OCTOBER.

We have had a very full and interesting Report before us, explained in his own delightful way by my colleague, M. Georges Noblemaire. His speech has been a real intellectual treat, but we have not yet before us any Resolution on the subject, and I have come forward to fill the gap and propose one. The Resolution I have the honour of laying before you is this:—

"The Assembly, having taken note of the Report of No. 4 Committee, approves the views there set forth, and expresses its gratitude to M. Noblemaire and his colleagues of the Expert Committee for their arduous and most useful labours."

I present this Resolution with the greater pleasure in that during the very long discussion we had on M. Noblemaire's report in Committee No. 4—for I can assure you we took nothing for granted, but discussed it paragraph by paragraph and almost line by line—that in those

discussions it fell to me, as an arduous and persistent advocate of economy, occasionally to suggest that M. Noblemaire's proposals had not gone far enough. On one occasion, I remember, when I was discussing the inadequate representation of India in the Secretariat, M. Noblemaire replied that India had a very large share of the critical faculty. But these are differences in points of detail, differences on which various people may legitimately hold various views: they do not in the least affect my admiration, which I am sure is shared by all of you, for the very arduous labours, the results of which have been put before you to-day. M. Noblemaire has been far too modest to speak in detail of all the preliminary work which he and his Committee of Experts had to go through, but I can assure you it was a very great burden, and I am sure their labours will bear great fruit, and that next year, and still more in the years afterwards, we shall find a very great improvement, both in our methods of work and in the cost.

I also hope that as years go by there will be real recognition of that recommendation which M. Noblemaire put before you, that in filling up the Secretariat appointments (and of course those in the Labour Bureau also) regard should be shown to the desirability, I might almost say the equitable necessity, of giving full consideration to the claims of diverse nationalities.

I have spoken about the Secretariat, and I would like to say (though, again, I was a critic every now and then) that we in Committee No. 4 were much indebted to the Secretariat for their ready assistance, and I would also add individually to the tribute which M. Noblemaire has paid to the work of M. Thomas, the illustrious apostle of Labour. M. Thomas came before the Committee, and on any occasion when the temperature happened to be cold, he at once raised it by the warmth and fervour of his speeches. He in some cases convinced us of the soundness of his views; in others we were perhaps more doubtful, but we were all impressed by his great ability and ardent zeal.

Ladies and Gentlemen, I will not detain you longer, but will move my Resolution, which to make it quite clear, I will read out again :—

"The Assembly, having taken note of the Report of No. 4 Committee, approves the views there set forth, and expresses its gratitude to M. Noblemaire and his colleagues of the Expert Committee for their arduous and most useful labours."

ANNEX 3. —*Memorandum by Sir William Meyer, with Resolutions moved in Committee No. IV, on the subject of the Allocation of the Expenses of the League.*

MEMORANDUM.

The Reveillaud Committee's scheme is faulty in the following respects :—

(*a*) It brings into account population as a separate factor, although a State whose population is poor but large gets population taken into account in the consideration of its revenues.

(*b*) The population and revenue figures of the colonial possessions of Great Britain, France, Belgium, and Holland have not been taken into account, and yet these obtained the benefit of the League's peace, and so on.

(*c*) The factor of "capacity to pay" is a most difficult one to arrive at. In every country there are disputes as to the capacity to pay between various categories of taxpayers, and this is not a question which can be solved by the consideration of revenue figures going back to the year 1913, when, moreover, the limits of certain States were materially different from what they are now.

(*d*) As regards Federal States, the revenues of the Central Government have only, as a rule, been taken into account, which is obviously not fair to unitary States. India is specially interested in this matter seeing that her finances are now on a federal system (they were not in 1913), the revenues of the Central and Provincial Governments being now quite distinct.

If the Provincial revenues of India are taken into consideration, so should those of the Provinces or States of other Federal countries.

(*e*) States cannot be simply assessed on their revenue capacity, and allowance must be made for the benefits all derive from the League. The Special Committee profess to have weighted the figures resulting from revenue and population tests with this object, but this has been done arbitrarily and inadequately, seeing that some of the States will only pay about $\frac{1}{500}$th part of the total League Budget and the next lowest class about $\frac{1}{2}$ per cent.

(*f*) Nor again has account been taken of the special benefits derived by States permanently represented on the Council of the League and those, for the time being, represented on the Governing Body of the International Labour Organisation. India, on the other hand, gets very small benefit from the League.

(*g*) Taking as a round figure for purposes of illustration a total Budget of 25,000,000 gold francs, India would, under the present Postal Union scheme, pay 1,225,000 gold francs; under the intermediate scheme suggested in the Reveillaud Committee's Report she would pay

about the same, *viz.*, 1,256,000 gold francs; but under the final scheme she would pay about 1,655,000 gold francs.

India would have no objection to a material increase in her subscription if it were arrived at on a scientific basis, but the final scheme of the Reveillaud Committee does not afford any such criterion, and consequently my Government is entirely opposed to the final scheme, but would, for the present, fall in with the intermediate scheme.

Resolution I.

While paying due homage to the zealous efforts of the Special Committee, Committee IV cannot accept their final scheme as an equitable and scientific adjustment of future contributions to the League's expenses. It contains many defects by reason of the at present inevitable use of out-of-date statistics and otherwise, and as a purely provisional allocation, the intermediate scheme suggested by the Special Committee itself at the close of the Report appears to be more suitable. It is, therefore, desirable in the interests of unanimity, that this intermediate scheme should be accepted for the present, with effect from 1921, and that its replacement by really scientific methods of adjustment should be deferred till better indices as to capacity to pay, etc., are available.

Resolution II.

In the event of Committee IV deciding to adopt, by a majority, the Special Committee's final scheme, the delegate for India will move the following amendments :—

(1) That greater stress be laid on the factor that abstract relative capacity to pay should be modified with reference to the benefits accruing to all Members of the League and to certain States in particular. Consequently :—

(*a*) All States represented as of right on the Council of the League should be placed in Class I, as was proposed at Brussels.

(*b*) All States which have been admitted to the Governing Body of the International Labour Organisation in the capacity of great industrial Powers should, if not already in Class I or Class II, be placed in Class II.

(*c*) The subscriptions in the lower categories of the scheme should be raised, so that States in Class VII shall be assessed to contributions at not less than 3 units, States in Class VI at not less than 6 units, and States in Class V at not less than 12 units.

General Resolution.

This Committee pays homage to the work done, under most difficult circumstances, by the Committee of Experts.

Considering, however, that their labours were based on ancient statistics, and time did not permit them to give full examination to factors which are essential in evolving any definite allocation among the States of the League, *e.g.*, the financial position of Federal Governments, the colonies of certain Powers, the special benefits that particular States may derive from the League, and so on :

Considering also the absolute necessity for States, which are asked to pay more than at present, being able to recognise the justice of this demand :

Committee IV proposes that the Special Committee of Experts should resume its labours, and should study the problem before it with reference to more recent statistics, and to other requisite factors.

It is hoped that in this way the Special Committee will be able to arrive at a scheme which will evoke general acquiescence, and which could hold the field for a period of, say, five years.

This course is facilitated by the fact that no change in the existing allocation, which is based on the Universal Postal Union, can be carried out without amendment of the Covenant, and that such amendment must necessarily take time.

Meanwhile, it is proposed that allocations shall continue to be on the existing basis, which is sanctified by the Covenant as it stands, and has received the adhesion of all the States Members of the League.

Annex 4.—*Speech delivered by Sir William Meyer in the Assembly on the 3rd October, on the subject of the Financial Administration of the League.*

I desire to pay the warmest tribute in my power to my friend M. van Eysinga for the very clear and lucid report which he has submitted to us. It was not at all an easy matter. As he has indicated, our discussions in Committee No. IV were lengthy and ranged over many topics. They were a bit confused, because every now and then our thoughts were switched off some matter to which we were devoting attention by an urgent call to vote

funds for something which the Assembly had passed that morning. We also on occasion—very rarely, I must say—exercised the privilege of changing our own minds. I was filled with admiration that out of this chaotic mass, so to speak, of decisions which we had come to, and resulting figures, M. van Eysinga has been able to produce the very clear succinct account which we have before us in the shape of his report.

I also warmly associate myself with his tribute to Sir Herbert Ames, who must have felt, sitting on our Committee, rather a weariness of the flesh, but who nobly dissembled his feelings; he was always ready to give us the information that we wanted, sometimes more than we wanted, and his accounts were presented in a very clear form. In fact, looking back, the only thing that I had not noticed on the very full statement of establishments which he presented to us was the Secretariat watch-dog! I understand that that estimable but somewhat soporific animal is on the establishment of the League and gets an allowance of 30 francs a month in consideration of the high cost of living in Geneva.

M. Thomas was very helpful to us. Last year in No. 4 Committee we were quite infants, so to speak, and I think M. Thomas considered that too much knowledge might not be good for us, so he only gave us globular estimates. We have got older and wiser this year, and M. Thomas has met all our desires for information and submitted very clear and lucid accounts.

I should also like to say that Committee No. 4 might have been sitting yet, and possibly a bit longer, if it had not been for the very excellent way in which our Chairman, M. Edwards, controlled us. He was an admirable Chairman, full of knowledge and impartiality, but also most anxious to get along, even at the cost of late night sittings.

If my friend, M. Edwards, should ever be out of a job I would recommend him to seek employment under Lord Northcliffe as a champion hustler. We had very long discussions on these estimates, as M. van Eysinga has told you, and we have been able to make considerable economies. Last year's budget amounted to 21,250,000 gold francs; that for this year, including the eleventh-hour estimate for Albania, amounts to 20,859,000 gold francs, after providing for supplementary estimates. But I want you to bear in mind that a large part of this economy is not of a permanent character. That is brought out on page 6 of the Report, where it is stated that it has been possible to deduct from the Budget of the International Labour Office an item amounting to 1,364,039 gold francs, representing the savings obtained or expected by the Labour Office up to the end of 1921. It was quite right under present circumstances to take that amount as an abatement, but it is obviously a windfall which cannot recur, whereas most of our charges will do so. Without that windfall our Budget for 1922 would have been a little more than for 1921 instead of less.

India was much to the fore in criticisms of the Budget last year, both in the Fourth Committee and in the Assembly, and I think we may say that those criticisms have resulted in a material improvement. I would specially note the fact that the outside Committee of Control which we suggested last year, but at that time fruitlessly, has now come to birth, and is going, I believe, to produce most excellent results. Remember that the sun rises in the east, and the light only comes to the west a little later. I and some others would have preferred economies this year which go beyond those that have been adopted, but I am not going to condemn the Budget because the proposals for these economies have not found acceptance. I do hope, however, that what may be deemed our folly to-day will be accepted as the wisdom of to-morrow. I entirely associate myself with what has been said in the report and by M. van Eysinga concerning the difficulties we have had with regard to fresh claims which constantly make their appearance, some of which have been passed by the Assembly on the independent report of other Committees. I am very glad that the Fourth Committee agreed unanimously to recommend the procedure that is set forth in the report, and its adoption, I am sure, will materially facilitate the regular control, and, I may add, lighten the burdens of the Secretariat. Take, as an instance, the matter of which M. van Eysinga has spoken and which was brought to our notice this morning—that of the estimate for the Albanian Enquiry. M. van Eysinga has spoken of it in a very restrained manner, considering the trouble it has caused. After all the Budget figures were tabulated and printed, we had a resolution proposed by Lord Robert Cecil—*ex Africa semper aliquid novi*—involving an addition of 100,000 francs in respect of this Committee of Enquiry in Albania. I should like in passing to pay a tribute to the universal genius of the noble Lord who represents South Africa. He is a citizen of the world, and although his country is far distant, he takes the most acute interest in the affairs of Europe and the Far East, including such lands as Albania and Armenia, and Lithuania and Russia; he busies himself in the prevention of poison gas, blockade, and other matters of international concern; but I do most respectfully wish to say, while paying homage to these manifold activities, that one can generally predict of them that in one way or another they will mean an increase in expenditure. On the other hand, in the Second Committee, I found that the senior representative of South Africa there was quite an austere economist on occasion and most laudably anxious that the League in general, and his country in particular, should not have its expenditure increased. I entirely agree with M. van Eysinga as to the absolute necessity for economies, especially in the matters connected with our technical organisations. It is an ungrateful task, as I said in the Fourth Committee, to take this line, but, after all, it is in the best interests of the League. We have to remember two great points. One of these is, as my friend M. Hanotaux told us in the Second Committee, that we must take very great care in respect

to these international organisations not to foster the idea that the League aspires to be a super-State, and to meddle with the interior affairs of other countries. The other is that additions to the Budget are very closely scrutinised when the time comes to pay for them by the Parliaments of the world, and especially by these very distant lands, who—I exclude South Africa, of course—take perhaps a very moderate interest in the affairs of the League and are not conscious of deriving any great benefit from its activities. It is most essential that we should not give a handle to those who attack the League on the ground of increasing extravagances, that we should be free from this reproach and should show them that we are thoroughly desirous of keeping down expenses as far as may be, and that we are going to try and combine economy with efficiency. I will not take up your time longer. Last year I had to be a severe critic; this year, speaking on behalf of India, I give a hearty welcome to the Budget as presented, and to the reforms that have been effected, and express the confidence that these reforms will, as time goes on, be extended still further.

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DELHI

REPORT

OF THE

DELEGATES OF INDIA

TO THE

THIRD SESSION OF THE ASSEMBLY

OF THE

LEAGUE OF NATIONS

1922

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REPORT OF THE DELEGATES OF INDIA TO THE THIRD ASSEMBLY OF THE LEAGUE OF NATIONS (1922).

TO THE RIGHT HONOURABLE VISCOUNT PEEL, G.B.E., HIS MAJESTY'S SECRETARY OF STATE FOR INDIA.

My Lord,

We beg to submit our report on the proceedings of the Third Session of the Assembly of the League of Nations at Geneva, at which we had the honour to represent India.

2. At the outset, we think it fitting to make some reference to the question of India's claim to be admitted as one of the Eight States of Chief Industrial Importance, entitled to representation on the Governing Body of the International Labour Office under Article 393 of the Treaty of Versailles, as this question, though not one with which the Assembly was concerned this year, was under consideration by the Council during the period of our stay at Geneva, and was in fact the question with which we had to deal in which Indian interests were affected most directly and to the greatest extent. The Indian claim to be one of the eight States of chief industrial importance had, it is hardly necessary to recall, been *sub judice* for a considerable time past. It so happened that the Council of the League, having received the report of a Committee, presided over by M. A. Fontaine, appointed by them to advise on the criteria to be adopted in deciding this question, were about to resume consideration of the matter when we arrived at Geneva, and the first Indian delegate was commissioned by you to state the Indian claim before the Council. A memorandum was drawn up and submitted by the Indian Delegation jointly criticising the report of the Committee, and Lord Chelmsford further obtained permission to explain the Indian case before the Council in person. A verbatim report of his speech will be found in Appendix V. The Council also decided to hear the Polish and Swiss representatives (M. Askenazy and M. Motta respectively). Neither made much attempt to prove the industrial importance of the country which they represented by statistics, relying mainly on political arguments; the Polish representative stressed the agricultural importance of Poland and M. Motta urged that the Council might postpone a decision in the matter on the chance of the forthcoming Labour Conference recommending the amendment of the provisions of the Treaty regarding the composition of the Governing Body. We are glad to be able to state that, on the 30th September, the day on which the Assembly broke up, the Council finally reached a decision in favour of India, thus at last according long delayed recognition of her right to a place among the great industrial nations of the world. The text of the Council's decision is as follows:—

"Considering that the claims made to it by India and Poland, and the objections made by various other countries in regard to the list of the eight Members of the International Labour Organisation of chief industrial importance which was prepared by the Organising Committee, of the first general Conference of the International Labour Organisation and employed for the constitution of the Governing Body of the Labour Office in 1919, have raised a general question as to which are the eight Members of chief industrial importance,

"And considering that by the fourth paragraph of Article 393 of the Treaty of Versailles and the corresponding Articles of the other Treaties of Peace, this question is to be decided by the Council,

"Decides that the eight Members of the International Labour Organisation which are of the chief industrial importance are at present, in the alphabetical order of the names in French: Germany, Belgium, Canada, France, Great Britain, India, Italy and Japan.

"In accordance with the principle of the resolution adopted by the Council at San Sebastian on 5th August 1920, the present decision is given for the purpose of the reconstitution of the Governing Body of the International Labour Office, which is to be effected by the Fourth General Conference of the International Labour Organisation; and the decision is not intended to effect the composition of the Governing Body as constituted by the First Conference."

3. The proceedings of the Assembly were opened on the 4th September by M. da Gama (Brazil), the Acting President of the Council, and the Assembly

proceeded at once to the election of a President. M. Edwards (Chili) was elected, obtaining 42 votes out of 44. M. Edwards proved himself throughout to be a most capable President. There were 47 States, including Hungary, represented at the Assembly this year, no representatives appearing from Argentine, Honduras, Nicaragua, Salvador and Peru. As explained in para. 72 below, Hungary was admitted on the 18th September. A list of the representatives of each State will be found in Appendix I.

4. During the first week the proceedings in the Assembly were limited to purely formal business and to the general debate on the report of the work of the Council and Secretary-General for the past year. His Highness the Jam Saheb of Nawanagar was a member of the Committee appointed to examine the credentials of delegates, and he was also chosen to assist in the conduct of the election in the Assembly of the Chairman of the Fourth Committee.

5. The President suggested that, in discussing the report of the Council, it might be taken section by section, but there was some opposition to this proposal and the debate therefore, as in past years, took the form of general speeches ranging over the whole field of the League's activities. The President's suggestion was referred to the General Committee (*see* Article 7 of the Rules of Procedure), and at the last meeting of the Assembly that Committee circulated a recommendation that, if possible, the President should arrange beforehand with delegates wishing to speak on the report, so as to ensure that a general debate should take place first, followed by discussion on certain specific subjects in the report. Whether it will be possible to give effect to this suggestion is doubtful. In any case no decision was taken on the point, and therefore the Fourth Assembly will be in no way bound as to the procedure to be followed next year.

No points were raised in the general debate on the report in which Indian interests were specially concerned, and we do not think it necessary to attempt to summarise the course of the debate. The most striking speeches were those by Lord Robert Cecil (South Africa), M. Motta (Switzerland), Lord Balfour (British Empire), M. Hymans (Belgium) and M. Hanotaux (France); the two former taking the general line that all the big problems affecting the tranquillity of the world, such as reparations, should be referred for the consideration of the League, and the three latter putting with great force the view that the power of the League must advance by slow continuous growth and that it was impossible for it in its infancy to grapple with problems with which it was not yet strong enough to deal. Some advance in the direction of the submission of great problems to the League is marked by the subsequent course of proceedings in Committee and Assembly, culminating in the Resolutions regarding the Mutual Guarantee Treaty and the possibility of the problem of Reparations and inter-allied debts being at some time referred to the League, the Resolution regarding the Near East and the Council's work in connection with the Austrian problem (*see* paras. 49, 80 and 84 below).

6. Following the precedents of former years the Assembly appointed six Committees, as shown below, each Member of the League being free to appoint one representative on each Committee. It will probably be convenient, in giving an account of the proceedings on each question, to follow the grouping adopted in the assignment of work to the Committees.

All the proceedings of the Committees (though not of all the Sub-Committees) were in public, though the right to hold private sittings was maintained by taking a formal decision at the first meeting of each Committee to meet in public.

Committee No. I.

Constitutional and Judicial Questions.

Chairman: M. Scialoja (Italy); *Vice-Chairman:* M. de Peralta (Costa Rica);
Representative of India: Sir Sivaswamy Aiyer.

Subjects dealt with by Committee:—

Amendment to Article 10 of the Covenant.

Amendment to Article 18 of the Covenant.

Procedure of Conciliation (Articles 12 and 15 of the Covenant).

The Allocation of the Expenditure of the League.

Contribution of Salvador to the Expenses of the League.

Indemnities payable to Judges and technical assessors of the Permanent Court of International Justice.

* Increase in the number of non-permanent Members of the Council.

* Selection of the non-permanent Members of the Council. (Chinese proposal.)

* Article 1 of Rules of Procedure (Date of meeting of Assembly).

* Article 14 of the Rules of Procedure of the Assembly.

* Articles 4 and 7 of the Rules of Procedure of the Assembly.

* Ratification of Amendments to the Covenant.

COMMITTEE No. II.

The Work of the Technical Organisations of the League.

Chairman: M. Chodzko (Poland); *Vice-Chairman:* M. de Brouckere (Belgium); *Representative of India:* H. H. the Maharaja Jam Saheb of Nawanagar.

Subjects dealt with by Committee:—

The Provisional Economic and Financial Committees.

The Advisory and Technical Committee on Communications and Transit.

The Health Organisation of the League, including the work of the Epidemic Commission.

Intellectual Co-operation.

† The Pan-American Congress.

COMMITTEE No. III.

Reduction of Armaments.

Chairman: M. Cosme de la Torriente y Peraza (Cuba); *Vice-Chairman:* M. Holsti (Finland); *Representative of India:* Viscount Chelmsford.

Subject dealt with by the Committee:—

Reduction of Armaments.

COMMITTEE No. IV.

Budget and Financial Questions.

Chairman: M. Zahle (Denmark); *Vice-Chairman:* Jonkheer van Eysinga (Netherlands); *Representative of India:* H. H. the Maharaja Jam Saheb of Nawanagar.

Subjects dealt with by the Committee:—

Budget for 1923, including the Budget of the International Labour Organisation.

Audit of Accounts for the third fiscal period (1921).

Report of the Commission of Control (now called the Supervisory Committee).

Final Resolution on the Financial Administration of the League.

Expenses of the Permanent Court of International Justice.

† International Labour Office: Offer of Sites from the Swiss Government.

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* Items referred to the Committee during the proceedings of the Assembly.

† New items placed on the Agenda and referred to the Committee during the proceedings of the Assembly.

COMMITTEE No. V.

Social and General Questions.

Chairman: The Hon. William S. Fielding (Canada); *Vice-Chairman:* Mlle. Bonnevie (Norway); *Representative of India:* Viscount Chelmsford.

Subjects dealt with by Committee:—

Esperanto as an International Language.

Traffic in Opium.

Deportation of Women and Children in Turkey and adjacent countries.

Traffic in Women and Children.

Russian Refugees.

Trade in obscene Publications.

* Greek and Armenian Refugees from Asia Minor.

* Repatriation of Prisoners of War.

COMMITTEE No. VI.

Political Questions.

Chairman: Jonkheer H. Loudon (Netherlands); *Vice-Chairman:* M. da Gama (Brazil); *Representative of India:* Sir Sivaswamy Aiyer.

Subjects dealt with by Committee:—

Request for admission to the League by Hungary.

* Protection of Minorities.

* Mandates.

* Slavery in Africa.

* Bondelzwart Rebellion (South Africa).

* Position in the Near East.

* Protest of the Lithuanian Government against arbitrary acts committed by the Polish Government in connection with the territory of Vilna subsequent to the recommendation of the Council, dated 13th January 1922.

* National Home for Armenians.

* Georgia.

* Status of Eastern Galicia.

7. In addition of these six Main Committees, there were also a General Committee (*vide* Article 7 of the Rules of Procedure of the Assembly—Appendix II., Annex I.) and an Agenda Committee.

The Agenda Committee, by direction of the Assembly, considered and reported on the advisability of placing upon the agenda various proposals submitted to the Assembly during its session and on the retention on the agenda of a new question submitted by the Lithuanian Government, against which the Polish Delegation protested.

The Committee reported in favour of the inclusion of all the new questions, including the Lithuanian question, and their recommendations were adopted by the Assembly, the questions being referred to the appropriate Committees. These questions are indicated by an asterisk in the list above.

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* New items placed on the agenda and referred to the Committee during the proceedings of the Assembly.

Work of Committee No. 1.—Constitutional and Judicial Questions.

Amendments to Article 10 of the Covenant.

8. It will be remembered that at the First Assembly the Canadian Delegation had proposed that Article 10 of the Covenant* should be removed, and that both in the First and Second Assembly wide differences of opinion showed themselves, both as to the precise meaning of this Article and as to its value. The question had been left over for further consideration by the Third Assembly. The Committee on Amendments reported to the Third Assembly that no new facts had emerged with reference to this Article since its consideration last year. The Canadian Delegation considerably modified the attitude which they had adopted in previous years, recognising that it was impossible to secure the withdrawal of this Article, and contended themselves with proposing that an addition should be made to the end of the Article of the following words :—

* Art. 10.—The Members of the League undertake to respect and preserve as against external aggression the territorial integrity and existing political independence of all Members of the League. In case of any such aggression or in case of any threat or danger of such aggression the Council shall advise upon the means by which this obligation shall be fulfilled.

> "Taking into account the political and geographical circumstances of each State,"

with a further additional paragraph :—

> "The opinion given by the Council in such cases shall be regarded as a matter of the highest importance, and shall be taken into consideration by all Members of the League, who shall use their utmost endeavours to conform to the conclusions of the Council, but no member shall be under an obligation to engage in any act of war without the consent of its Parliament, Legislature, or other representative body."

As in previous years, there was considerable divergence of views on this question.

Mr. Struycken (Netherlands) claimed that the situation had been materially altered by the fact that the Third Committee were now examining a plan for a mutual guarantee treaty in connection with disarmament, which obviously was closely related to the question of Article 10 of the Covenant. M. Rolin (Belgium) actually suggested that the question of the revision of Article 10 should be studied by the Temporary Mixed Commission on Armaments. Sir Cecil Hurst (British Empire) opposed this suggestion. France, Roumania, Greece, Poland and Persia expressed themselves strongly in favour of the retention of Article 10. Most seem to desire it to remain unmodified, but there was no very strong opposition to and some agreement with a new Canadian proposals.

The divergence of views was sufficiently wide for it to become apparent that the question must again stand over for another year, and the Committee finally adopted a Resolution proposed by Sir Cecil Hurst, which was in due course approved by the Assembly, and is shown below. The words "in all its bearings" in this Resolution were intended to satisfy those who considered that the question was intimately linked with that of the proposed Mutual Guarantee Treaty. The view was put forward in the Assembly by M. Barthélémy (France) that amendment of this Article of the Treaty, to which it was known very grave exception had been taken in the United States, might well be left until there were some signs of the United States being willing to join the League. Such modifications could then be made as would be likely to meet American opinion on this subject. The Canadian Delegation explained, however, that they were actuated by other motives in wishing to obtain amendment of this Article, as they considered it undesirable to retain in the Covenant an Article on the meaning of which nobody could agree, and which apparently might commit a country to war without the

consent of its Parliament. The text of the Resolution passed by the Assembly is as follows:—

Assembly Resolution No. 15 (23 Sept.).

"The Assembly of the League of Nations decides that the Canadian proposal with reference to Article 10 of the Covenant shall be adjourned until the Fourth Assembly, in order that the subject may be considered in all its bearings. The Assembly leave it to the Council to decide on the steps to be taken to provide for a detailed study of the Canadian proposal before the meeting of the Fourth Assembly."

Amendment of Article 18 of the Covenant.

9. As was the case last year, considerable divergence of views was expressed on this subject. Some members thought that, as it was clear that the provisions of Article 18 (requiring registration and publication of all international treaties before they become binding) were not being, and could not be, literally carried out, and as suggested modifications had already been drawn up at the last Assembly with a view to defining in a more practical manner the obligations under this section, action should now be taken to amend the Article. On the other side the view was expressed that it was not possible, at all events at present, to give any practical definition of what ought, or ought not, to be registered, that the number of treaties which were being registered with the Secretariat were showing signs of distinct increase, and that it would be far better to wait until there had been time for further practical experience to be gained on this subject. The Committee finally adopted the Resolution given below, which was approved by the Assembly without discussion:—

Assembly Resolution No. 16 (23 Sept.).

"Considering that, according to the information furnished by the Secretariat, the practice of presenting for registration and publication treaties and international engagements is becoming more and more familiar to the Governments of Members of the League, and desiring to profit by experience gained over a longer period before reopening the discussion of a possible amendment of Article 18 of the Covenant, decides to postpone such a discussion to a future session of the Assembly."

Procedure of Conciliation.

10. In accordance with the recommendation of the Second Assembly, the Council had appointed a special Committee to investigate the question of drawing up an outline scheme for a procedure of conciliation which might form a model for States which were prepared to agree to adopt some such procedure in settling disputes between themselves. The Committee consisted of M. Adatci (Japan), M. Babinski (Poland), M. de Visscher (Belgium), M. Fortoul (Venezuela), M. Struycken (Netherlands), and M. Unden (Sweden). The recommendations of this Committee formed the basis of the Resolution below, adopted by the Third Assembly. Essential features of their proposals are that there should be no obligation on States to form Conciliation Commissions, the whole system being optional, and that no amendment of the Covenant is required. The First Committee, working through a sub-Committee, made various small alterations in points of detail in the proposals of M. Adatci's Committee, but the only changes of importance were to alter the form of the Resolution so as to make it plain (i) that the procedure which was suggested for adoption involved special conventions between particular States, and not, at all events at present, a general treaty open to adhesion by any States who wished to do so; and (ii) that any such convention cannot in any case impede the operation of Article 15 of the Covenant. The following Resolution was finally adopted by the Assembly with very little discussion:—

Preamble.

Assembly Resolution No 10 (22 Sept.).

With a view to promoting the development of the procedure of conciliation in the case of international disputes, in accordance with the spirit of the Covenant, the Assembly recommends the Members of the League, subject to the rights and obligations mentioned in Article 15 of the Covenant, to conclude conventions with the object of laying their disputes before Conciliation Commissions formed by themselves.

The organisation of these Commissions, their competence and the procedure to be followed before them, shall be freely determined by the Contracting Parties. The Parties are recommended

in this connection to look for guidance to the provisions contained in the Hague Convention of the 18th October 1907, for the pacific settlement of international disputes, and, in particular, to the provisions concerning the hearing of witnesses, procedure by employment of experts, rogatory commissions, inspection of places, replacement of members of the Commission.

The rules laid down in the following Articles, in particular, are recommended to the Members of the League for adoption. At the request of the Members concerned, the Secretary-General may offer them the assistance of the Secretariat for the conclusion of conciliation conventions.

Apart from the other means placed at its disposal by the Covenant to assure the maintenance of peace, the Council may, if necessary, have recourse to the service of the Conciliation Commission formed by the Parties ; it may invite them to bring their dispute before the Commission, or it may refer to the Commission any dispute which may have been submitted to it by one of the Parties in virtue of Article 15 of the Covenant.

A conciliation convention made between two States of which one only is a Member of the League of Nations, or of which neither is a Member of the League, will be applicable subject to the procedure established by Article 17 of the Covenant.

The Assembly expresses the hope that the competence of Conciliation Commissions will extend to the greatest possible number of disputes, and that the practical application of particular Conventions between States, as recommended in the present resolution, will in the near future make possible the establishment of a general Convention open to the adhesion of all States.

RULES.

Article 1.

The Conciliation Commission shall be constituted as follows :—

Each party shall appoint two members, one from among its own nationals, the other from among the nationals of a third State. The two parties shall jointly appoint the Chairman of the Commission from among the nationals of a third State.

The Parties may appoint the members of the Commission beforehand and for a period which they themselves shall determine. They may also confine themselves to appointing only the Chairman beforehand, in which case the other members shall be appointed after consultation with the Chairman at the moment when a dispute arises, their mandate being limited to the settlement of such dispute.

Article 2.

Disputes which fall within the competence of the Conciliation Commission shall be referred to it for consideration by means of a notification made by one of the Contracting Parties to the Chairman of the Commission and to the other Party. The notification shall be communicated to the Secretary-General of the League.

If all the members of the Commission have been appointed beforehand, the Chairman shall convene the Commission as soon as possible. If they have not been so appointed, the Chairman shall invite the Parties to appoint the other members within a period laid down by the Convention.

Article 3.

The Conciliation Commission shall meet at the seat of the League, unless the Parties have fixed a different place of meeting in the Convention made by them or for the purposes of a particular case. The Commission, if it considers it necessary, may meet at a different place. The Commission may in all circumstances ask the Secretary-General to render it assistance in its work.

Article 4.

Subject to the right of the Parties and of the Commission itself to extend this period, the Conciliation Commission shall complete its work within a period of six months from the day on which it first met.

Article 5.

Both parties shall be heard by the Commission.

The parties shall furnish the Commission with all the information which may be useful for the enquiry and the drawing up of the report, and shall in every respect assist it in the accomplishment of its task.

The Commission shall itself regulate all details of procedure not provided for in the Convention, and establish rules of procedure for the obtaining of evidence.

Article 6.

The Commission shall take its decisions by a majority vote of its members; the presence of all the members is required for a valid decision. Each member shall have one vote.

Article 7.

The Commission shall make a report on each dispute submitted to it. In proper cases the report shall include a proposal for the settlement of the dispute. The reasoned opinion of the members who are in the minority shall be recorded in the report.

The Chairman of the Commission shall immediately bring the report to the knowledge of the Parties and of the Secretary-General of the League.

Article 8.

The report of the Conciliation Commission may be published by one of the Parties before the settlement of the dispute only if the other Party gives its consent.

The Commission may, by unanimuos vote, decree the immediate publication of its report.

Article 9.

Each Party shall pay the allowances of the members of the Commission which it has appointed and shall pay half of the allowances of the Chairman.

Each Party shall bear the costs of procedure which it has incurred and half of those which the Commission may declare to be joint costs.

ALLOCATION OF THE EXPENDITURE OF THE LEAGUE.

11. It was decided when the agenda was being adopted by the Assembly that this question should be referred to the First Committee, and that the First Committee should consult the Fourth Committee when it was necessary to do so. The vagueness of this decision gave rise to considerable doubts as to the relative functions of the First and Fourth Committees, and was productive of great inconvenience. The proposals submitted for consideration this year were those in the Second Reveillaud Committee Report dated 13th July 1922. They differed from the scale adopted last year in that deductions had been made from eight countries which possessed territories devastated by the war, 15 countries had had their units increased on various grounds not stated (four getting some offset by reason of a devastation deduction), and 14 small States had had their units decreased, 10 being placed in a lowest class of one unit, two units being previously the minimum; 18 States (including India) remained unchanged. The total number of units (942) also remained unchanged. Effective criticism was rendered more difficult as the Report gave practically no reasons for these recommendations.

12. In view of the very grave objections from the Indian point of view to the fundamental basis of the Reveillaud scale of allocation, which apply with equal force to the modified Reveillaud scale, and as India appeared unlikely to obtain any effective support in her objections to this basis, it seemed desirable to start, at all events by adopting an attitude of uncompromising opposition. Sir Sivaswamy Aiyer accordingly immediately raised a point of order when discussion of the question was opened in the First Committee, and contended that under Rule 4 (5) of the Rules of Procedure adopted by last year's Assembly [*vide* Annex (i) of Appendex II.], it was not competent for this Assembly to consider the latest report of the Reveillaud Committee, which had not been circulated four months before the meeting of the Assembly. In raising this point support was received from the Venezuelan delegate. The argument was immediately put forward that the Second Reveillaud scheme was not really a new proposal, being merely a modification of a scheme of which the Assembly was already seized, but the question was clearly so important that it was decided to submit it for examination by a Sub-Committee of Jurists consisting of Sir Cecil Hurst (British Empire). MM. Struycken (Netherlands), Rolin (Belgium), Urrutia (Columbia), and Noblemaire (France). It was obviously vital to the interests of the League that the Third Assembly should succeed in getting passed some scheme of allocation to take the place of the Postal Union scheme. Under the latter scheme many small States are quite unable to pay the contribution at which they are assessed, while several of the great Powers are assessed at amounts far less than those which they are ready to pay. Great interest was accordingly taken in the attitude adopted by India on this question, in which it seemed likely that the delegation was in a position (quite apart from the point of order) to block

acceptance of the Second Reveillaud scheme if it so desired. As there was no very great chance of getting any other scheme accepted unanimously by the Third Assembly, considerable apprehension was no doubt felt at the attitude which we considered it necessary to adopt.

13. Simultaneously with the appointment of the Sub-Committee referred to above, a further Sub-Committee of Committee I was nominated to examine the details of the proposed allocation scheme in the event of our being overruled on the point of order. Sir Sivaswamy Aiyer was nominated as a member. In view of the fact that an Indian representative had been placed on the Sub-Committee, it appeared necessary, if we were to avoid a charge of being simply obstructive, to attempt to lay before the Sub-Committee the outline of some scheme based on the principle (which the Government of India had accepted) of taking net revenue as the fundamental test, in a form which would have had some slight chance of being accepted in place of the Second Reveillaud scheme. It became unnecessary, however, to carry through this somewhat difficult task owing to an agreement which was reached with the representatives of the United Kingdom and of the Dominions. At the suggestion of Lord Balfour, it was agreed that as the total of the contributions of all parts of the British Empire did not differ very materially, whether assessed under the Postal Union scheme, the First Reveillaud scheme or the Second Reveillaud scheme, it was desirable in the interests of the League that the Empire as a whole should accept the contributions under the Second Reveillaud scheme, and leave the question of the actual division of the total contribution between the various parts of the Empire to be settled by mutual agreement between them. To this proposal we agreed, and obtained from you telegraphic confirmation of our action.

14. The Sub-Committee, which had considered the preliminary point of order, overruled it on the technical ground that the question should have been raised, not in Committee, but in the Assembly itself, at the time the agenda was adopted. [*See* Addendum to Annex (iii) of Appendix II.] This view was criticised by several members of the First Committee, and it is probable that if the Indian Delegation had maintained their original attitude their point of order would have been upheld. But it was no longer necessary to press the point in view of the decision arrived at in the meantime, and the report of the Sub-Committee was accordingly accepted by the First Committee. On the 13th September, in the First Committee, on resumption of the discussion of the allocation question, Lord Balfour announced the decision of the British Empire as a whole and made it plain that this offer was subject to two conditions: (1) that the Second Reveillaud scheme should be accepted by the Assembly, and (2) that the scheme would be provisional for one year only, to allow time for a more scientific scale to be devised. There was some opposition to the Second Reveillaud scale in the Committee from Sweden, Venezuela, Cuba, Luxembourg and Lithuania, all of whose contributions were to be increased. France declared that she accepted the Second Reveillaud scale, and would be pleased to pay in the highest class of 95 units when her devastated territories had been restored and reparations had been paid. The Swiss, Colombian, Chinese, Japanese (subject to adoption of a final scheme later on), Spanish, Bulgarian and Danish Delegations all accepted the new scale. Poland announced that she was prepared to have her contribution, which was temporarily reduced last year for special reasons, raised from 15 to 25 units.

15. Further examination of the question was conducted by the aforementioned Sub-Committee, of which Sir Sivaswamy Aiyer was a member, sitting jointly with a Sub-Committee of Committee IV, under the chairmanship of M. Palacios (Spain). As a matter of fact, the only question of importance before this Sub-Committee was that of the distribution of the 10 units liberated by Poland among those countries which appeared to be likely to carry their opposition to the Second Reveillaud scheme to the length of voting against it in the Assembly if some reduction was not made in their contribution. Japan in the Sub-Committee presented a claim for a reduction, explaining that her attitude in the main Committee had been misunderstood. The result of the Committee's deliberations is given in the report of the First Committee

on this question printed in Annex (iii) of Appendix II. Twelve units were taken off the contribution of the claimants, and Hungary (newly admitted) was assessed at four, making the total number of units 944 instead of 942 (excluding the 35 units nominally assigned to the Argentine). The Second Reveillaud scheme has, by this process of bargaining with States which considered that they were assessed too high, been deprived of any appearance of being based on some general principle, and it is more than ever desirable that some more satisfactory scheme of allocation should be devised.

16. The other point of importance arising in connection with the allocation question was that of the period for which the revised scale should operate. A resolution was moved in the First Committee to the effect that the revised scale should take effect from the 1st January 1923, and should remain in force until the Assembly had adopted a revised scale. Objection was taken to this by Sir Sivaswamy Aiyer on the ground that if a resolution were adopted in this form there was a danger that the Assembly would postpone grappling with the difficult question of the adoption of a revised and more scientific scale, and that the present admittedly provisional and unscientific scale might by lapse of time become very difficult to displace, and he urged that there should be a time limit of, at all events, not more than three years. At the instance of the Chairman of the Committee it was decided that it would be safer that the operation of the scheme should be definitely stated to be for one year only in the first instance. We thus attained the object which we desired. The Resolution, of which the text is given below, was accordingly adopted by the Committee, and also, practically without discussion, unanimously in the Assembly, the Cuban delegate, who had been the sole dissentient in the Committee, abstaining from voting:—

Assembly Resolution No. 37 (30 Sept.).

"Considering that the present position of the finances of the League of Nations makes it imperatively necessary to modify as soon an possible the system of allocation of the expenses of the League of Nations among its Members and to replace the scale of the Universal Postal Union now in force by a more just and equitable scale;

"And considering that the scale annexed* to the present resolution has been recognised by general consent as establishing a more just and equitable system for the allocation of the said expenses, and that it is recognised to be desirable to secure the immediate application of this scale as a provisional measure:

"Approves the application of the above-mentioned scale for the allocation of the said expenses for the year nineteen hundred and twenty-three,

"and requests the Council to ask the Committee for the Allocation of Expenses, presided over by M. Reveillaud, to continue its researches with a view to preparing a definitive scale which may be submitted to a subsequent Assembly. The Assembly leaves it to the Council to modify the composition of the Committee as it thinks desirable.

"It begs the Council to notify the Members of the League of Nations that it is no longer necessary to continue the ratification of the Amendments No. 2 and No. 3 of Article 6, voted by the Assembly of 1922, but, on the other hand, to urge them to ratify as soon as possible the first amendment to that Article."

The position as regards the year 1922 was unfortunately left extremely doubtful. The Postal Union scale clearly remains in force, but it is improbable that any attempt will be made seriously to press small States to pay more for that year than they would under the Reveillaud scheme now adopted for 1923.

17. The question of the actual number of units to be contributed by India remains, of course, for settlement with the United Kingdom and the Dominions. Certain preliminary informal discussion on this point was held at Geneva, but acting under your instructions no attempt was made to proceed far in the matter, and the question will no doubt be taken up in London. It emerged from the preliminary discussion that too low a figure had hitherto been assumed for the proportion which the "net revenue" of India bears to the total "net revenue" of Members of the League, for reasons with which it seems unnecessary to burden this report as they have been explained elsewhere. In our opinion, both on this ground and in view of the fact that India's important position has now been recognised by the acceptance of her

*See page 64.

claim to be one of the eight States of chief industrial importance, there is no doubt that it is equitable that the Indian contribution should be considerably in excess of that which would fall to her under the Postal Union scheme, which would be equivalent to about 45½ Reveillaud units. On the other hand, there are, no doubt, grounds for thinking that the figure of 65 units, which would be assigned under the new scale, is somewhat high.

With a budget of 25,673,508 Swiss francs (*vide* para. 55) each Reveillaud unit for 1923 will be equivalent to 27,196 Swiss francs, or about 1,130*l.* (at 24 Swiss francs to the £).

18. It was ascertained from unofficial conversations with members of the Reveillaud Committee that it is their present intention, when preparing a revised basis of allocation, to omit altogether the factor of population, They consider it very doubtful whether they will have their new scheme ready in time for next Assembly. If this proves to be the case, there will presumably be no alternative to adoption of the 1923 scale for another year by the Assembly.

Contribution of Salvador.

19. The Salvador Government claim that, when they adhered to the Covenant of the League of Nations, they did not understand that they would have to contribute to the expenses of the International Labour Office, or indeed to any expenses beyond those specified in the Covenant itself, *viz.*, the expenses of the Secretariat, and they consequently do not consider themselves bound to pay any share of the expenditure on other objects. The contentions of Salvador were referred for examination to a Sub-Committee of Jurists consisting of Sir Cecil Hurst (British Empire), M. Struycken (Netherlands), M. Reveillaud (France), and M. Rolin (Belgium). The question raised is of considerable general interest, and the report of the Sub-Committee is therefore given in full in Annex (iv) of Appendix II. The conclusion of the Sub-Committee that Salvador was bound to contribute to all the expenses of the League, including those of the International Labour Office, was contested in the First Committee, the lead being taken by M. Alvarez (Chile), who maintained that the conclusions of the Sub-Committee were erroneous in that they relied (according to him) upon the fallacious argument that States which adhered to the Covenant of the League, had adhered to the whole of the Treaty of Versailles, of which the Covenant forms part. M. Alvarez contended, and he obtained some support from the Chairman, M. Scialoja (Italy), that the Covenant of the League of Nations, which finds its place, not only in the Treaty of Versailles, but in other subsequent treaties, is an entirely separate pact, and that adherence to it does not involve acceptance of any obligations beyond those actually contained in it. This line of argument (which the Sub-Committee considered misrepresented their views) did not find general favour with the Committee, but their convictions on this somewhat debatable subject were not sufficient firm to lead them to vote against the small minority who would not accept the report of the Sub-Committee. The final decision was accordingly that the report of the Sub-Committee and of all the discussions in the Committee itself should be transmitted to the Council with a view to their being forwarded to the Government of Salvador. It was hoped that, as the Salvador contribution had been very greatly decreased under the Reveillaud scheme, it was possible that that Government might adopt a more accommodating attitude. The Assembly, without discussion, accordingly adopted the following Resolution :—

"The Assembly decides that the report which the First Committee has received from its Sub-Committee on the claim of Salvador be transmitted without discussion to the Council of the League, together with the copies of the Minutes of the discussions of the Committee, in order that the Council may take such action in the matter as it considers appropriate." Assembly Resolution No. 30 (29 Sept.).

Indemnities payable to Judges and Technical Assessors of the Permanent Court of International Justice.

20. The First Committee, in conjunction with the Fourth Committee, considered a small point referred to it by the Council, regarding remuneration

to be given to persons who are not judges or deputy judges of the Court, but are called upon to sit as judges under the special provisions of Article 31 of the Court's Statute, and also to certain technical assessors sitting under the special provisions of Articles 26 and 27 of the Statute. The proposals of the two Committees were accepted by the Assembly in the following Resolution :—

Assembly Resolution No. 17 (23 Sept.).

"Having considered proposals made to it by the Council, in accordance with Article 32 of the Statute of the Permanent Court of International Justice.

"Accepts the proposals of the Council, subject to certain changes as to the amounts payable, and decides as follows :—

"1. A judge sitting in the Permanent Court of International Justice who has been selected in accordance with Article 31 of the Statute of the Court and who is not a deputy judge, shall be granted from the funds of the Court a daily duty allowance and a daily subsistence allowance and repayment of his travelling expenses, according to the rates and conditions applicable to a deputy judge taking part in a session of the Court.

"2. Technical assessors summoned to assist the Court in accordance with the provisions of Article 26 of the Statute of the Court shall be granted from the funds of the Court a daily subsistence allowance of fifty florins during the period for which their functions oblige them to reside at the place at which the session is held, unless they habitually reside there, or, if they reside at such place, a daily subsistence allowance of twenty-five florins; and, further, the necessary travelling expenses of these assessors shall be refunded to them out of the funds of the Court.

"3. Technical Assessors sitting in cases connected with transit and communications, and, in particular, cases coming under Part XII (Ports, Waterways and Railways) of the Treaty of Versailles and the corresponding parts of the other Treaties of Peace referred to in Article 27 of the Statute of the Court, shall be treated in the same manner as the assessors referred to in paragraph 2 above if they sit by virtue of a decision of the Court. If the technical assessors sit at the request of the parties, the allowances and travelling expenses shall be borne by the parties in accordance with rules to be made by the Court."

Increase in the Number of Non-Permanent Members of the Council.

21. The Council of the League had submitted to the Assembly the following proposals :—

"Article 4 of the Covenant provides that the Council shall consist of representatives of the Principal Allied and Associated Powers, together with representatives of four other Members of the League selected by the Assembly.

"The Council may, however, with the approval of the majority of the Assembly, increase the number of non-permanent Members.

"Acting under these provisions, the Council thinks it is desirable that the number of Members of the League to be selected by the Assembly for representation on the Council should now be increased from four to six.

"The first paragraph of Article 4 is based on a certain principle concerning the number of the permanent and of the non-permanent Members of the Council. The proposed augmentation of the number of non-permanent Members produces a considerable modification in this principle. Nevertheless, a subsequent augmentation of the number of permanent Members would re-establish the principle of which Article 4 is the application without its being possible to consider that the change proposed to-day prejudiced such re-establishment.

"The Council asks the Assembly to approve this decision, in accordance with the provisions of the Covenant."

The motives which had prompted the Council in making these proposals were set forth in a letter addressed to the President of the Council by Lord Balfour and M. Bourgeois, of which the most important passage is as follows :—

"The Council may, however, with the approval of the majority of the Assembly, increase the number of non-permanent Members. The moment would seem to have arrived for the Council to consider the advisability of effecting this increase.

"Since the coming into force of the Covenant, the number of States Members of the League has been considerably increased by the admission of nine new States, which raises the number of States Members of the League to 51.

"Furthermore, it is very difficult to ensure an equitable allocation of the non-permanent seats among the different countries which, owing to common interests, have a tendency to form themselves into groups.

"In view of the increase in the Members of the League, and in order to allow those Members which are not permanently represented on the Council to take an active part in its work, it seems advisable to increase the number of non-permanent seats from four to six.

"We must not lose sight of the fact that, if this solution were adopted, the criticism might be made that the new formation of the Council would consist of four permanent States and of six non-permanent States, whereas the Covenant lays down that it should consist of five permanent States and four non-permanent States. But this objection can hardly be considered a serious one, since, by Article 5 of the Covenant, the decisions of the Council are, except where otherwise provided, taken unanimously by the Members represented at the meeting. The question of a majority therefore does not arise as far as the Council is concerned. It is advisable, moreover, to provide for a future increase of permanent Members."

22. The proposal to add two to the number of States to be elected to the Council was naturally received with satisfaction by most of the small Powers. There was a minority, however, in the First Committee, notably MM. Struycken (Netherlands) and Motta (Switzerland), which expressed the view that it was premature to increase the non-permanent Members of the Council before it became necessary to do so on the entry of new States as permanent members of the Council, and that there was anyhow a danger of weakening the influence of the Council if too many small States were on it. The argument was also put forward, which had of course already been weighed carefully in the Council itself, that any increase in the number of a body which takes its decisions by unanimity is liable to make it a less efficient instrument. The Assembly approved unanimously the Council's proposal, which had found favour with the majority of the First Committee, and adopted on 25th September the following Resolution:—

"The Assembly approves the decision of the Council to increase the number of members of the League chosen by the Assembly for representation on the Council from four to six. This decision shall come into force immediately." Assembly Resolution No. 18 (25 Sept.).

Procedure for Election of Non-Permanent Members of the Council.

23. On the motion of the Chinese Delegation the Assembly decided to take up this question again and referred it to the First Committee. In dealing with this matter there was a serious preliminary constitutional difficulty which was the subject of much discussion in the Committee. The amendment of Article 4 of the Covenant adopted by the Second Assembly, which included the paragraph shown in the margin,* has not yet been ratified, and consequently it was held by many that it was not within the competence of the Third Assembly to lay down any rule, especially in view of the provision in the first paragraph of Article 4 of the Covenant providing that the non-permanent Members of Council "shall be selected by the Assembly from time to time '*in its discretion*'" ("*librement*" in the French text). In spite of these difficulties it was decided, in view of the necessity of having some rules under which to conduct the elections at this Assembly, to proceed with the examination of the question. A Sub-Committee, of which M. Barthélemy (France) was *rapporteur*, drew up a series of rules which formed the basis of the final decision of the Assembly, given below.

* "The Assembly shall fix by a two-thirds majority the rules dealing with the election of the non-permanent Members of the Council, and particularly such regulations as relate to their term of office and the conditions of re-eligibility."

24. The first point which was raised in Committee by the Persian and Chinese delegates (who were supported by Sir Sivaswamy Aiyer) was that it was desirable that attention should be given to geographical, racial and religious considerations in electing non-permanent Members of the Council, so that it might always be ensured that at least one Asiatic State should be among the non-permanent Members, apart from Japan, which is a permanent member. The Persian delegate suggested that practical force should be given to this principle by arranging that the voting should take place in three separate divisions—the first would be for three seats for Europe, the second for two seats for America, and the third for one seat for other parts of the globe. The Committee considered almost unanimously that any such stereotyped division as this would be contrary to the provisions of Article 4 of the Covenant, which declares that the selection must take place "*librement*." For the same reason it took the view that it was not possible to frame any kind of definite rules on this point, and contented itself with proposing to the Assembly a recommendation in a general form that weight should be attached to such circumstances by the Members of the League when voting.

25. Apart from the constitutional difficulty, the rules appeared to find general acceptance, but curiously enough the *rapporteur* (M. Barthélemy) explained that he had been approached by various delegates, who apparently were unwilling to state their point of view openly in Committee, objecting to election by means of "*scrutin de liste*" for all six seats simultaneously instead of filling each seat one at a time. This party apparently based their objections ostensibly once again on the grounds that secret ballots and *scrutin de liste* are not in conformity with the adverb "*librement*" in the Covenant. The view of these anonymous objectors did not however find favour with the Committee; the only point which gave rise to serious difficulty was the finding of a way out of the constitutional *impasse*. It was finally decided to divide the proposed rules into three parts. The first, dealing with the actual machinery for the elections, was to be adopted by the Assembly as a resolution, and was to be regarded solely as a question of procedure for which a majority, if necessary, would suffice. The second and even more important part of the rules, which laid down the term of office of the non-permanent members and instituted a system of retirement in rotation with ineligibility for a period equal to that of the term of office, was to be regarded—even if passed unanimously—not as a binding decision of the Assembly, but as a declaration of the wishes of the Assembly indicating the conditions under which they considered that the members to be elected on this occasion should hold office. The third part of the rules concluded with a general recommendation regarding the weight to be given to the geographical and racial principle.

26. The Committee accepted this solution of the difficulty, but it was found when the question was ripe for the Assembly that some of those who had pressed the constitutional objection most strongly were proposing to raise difficulties in the Assembly. Unanimity was, however, obtained by the device of a slight amendment to the second resolution, proposed by Lord Balfour, which provided that, instead of making a declaration in favour of the rules proposed, the Third Assembly should recommend that the Fourth Assembly should adopt the rules proposed. This made it clear that the Third Assembly considered that those selected at the forthcoming election ought to have their tenure, etc., determined by these rules, but also made it plain that it was only within the competence of the Fourth Assembly (after ratification of the amendment of Article 4 of the Covenant had taken place) to draw up binding rules. The text finally adopted by the Assembly unanimously on 29th September is as follows:—

Resolutions.

Assembly Resolution No. 33 (29 Sept.).

The Assembly adopts, for the election of the non-permanent Members of the Council, the following rules of procedure:—

I. The members whose representatives are to sit on the Council as non-permanent members of that body shall be selected by the Assembly by secret ballot.

Where several seats are to be filled, the election shall be made by voting a list of names. Any ballot paper containing more names than there are seats to be filled shall be null and void.

No member shall be elected at the first or at the second ballot unless it has obtained at least the absolute majority of the votes. If, after two ballots, there still remain seats to be filled, a third ballot shall be held upon a list consisting of the candidates which obtained most votes at the second ballot, up to a number double that of the seats still to be filled, and those members shall be elected which obtain the greatest number of votes.

If two or more members obtain the same number of votes and there is not a seat available for each, a special ballot shall be held between them; if they again obtain an equal number of votes, the President shall decide between them by drawing lots.

II. Pending the ratification by the States of the amendment to Article 4 of the Covenant voted by the Assembly in 1921, and without prejudice to the right of the Assembly to "select in its discretion," in accordance with the provisions of the Covenant, the non-permanent Members of the Council, the Assembly recommends that the Fourth Assembly adopt the following rules:—

The non-permanent Members of the Council are elected for a period of three years, commencing on the first day of January following the date of their election.

Retiring members are not eligible for re-election until the expiration of a period of three years.

One-third of the non-permanent part of the Council shall be renewed each year.

If one or two of the members now on the Council are re-elected, their mandates shall terminate at the end of the first year.

If more than two members now on the Council are re-elected, lots shall be drawn to determine which one or which two of them shall not retire until the end of the second year.

If necessary, lots will be drawn to determine the order of retirement as between newly elected members, so as to bring up to two the number of members retiring.

If, for any reason, a seat on the Council filled by any State should become vacant during the first period of three years, the State shall be considered as having retired, with the result that, if such vacancy occurs during the first year, lots shall only be drawn for one seat, and if the vacancy occurs during the second year, lots shall only be drawn for one seat.

If such a vacancy occurs after the expiration of the first period of three years, the Assembly shall fill it at the session following its occurrence, but the member so elected shall only complete the current mandate.

Recommendation.

It is desirable that the Assembly, in electing the six non-permanent Members of the Council, should make its choice with due consideration for the main geographical divisions of the world, the great ethnical groups, the different religious traditions, the various types of civilisation and the chief sources of wealth.

Question of the Date of the Meeting of the Assembly.

27. The French and Italian delegates proposed an amendment to Article 1 of the Rules of Procedure of the Assembly, so as to provide that the meetings of the Assembly should begin on the third Monday in September instead of the first Monday in September. The reasons put forward in favour of this change were that it would be more convenient for the Secretariat, and for delegates who were Members of Parliaments which sit on well into August and who were unable to obtain a holiday before the meetings of the Assembly. Opposition was raised from various quarters, including the Canadian and Indian Delegations, on the grounds (mainly) that the time proposed was less likely to suit members of their legislative bodies, and the French and Italian proposal was accordingly withdrawn.

Amendment of Article 14 of the Rules of Procedure of the Assembly.

28. On a motion by Lord Balfour para. 2 of Rule 14 of the Rules of Procedure of the Assembly was amended with a view to making clear the procedure to be adopted in financial matters. The amended rule—which also finds a place in the regulations for the financial administration of the League adopted this year (*see* para. 50 below)—provides that—

(1) recommendations by Committees involving expenditure must indicate whether such expenditure is part of the general expenses of the League, or is recoverable from certain members specially concerned;

(2) that recommendations by a Committee other than the Fourth (Finance) Committee involving expenditure should be submitted to the Fourth Committee with an estimate of the expenditure involved; and

(3) that no resolution involving expenditure shall be voted by the Assembly before the Finance Committee has expressed an opinion as to its advisability, judged from the point of view of budgetary resources.

The actual text of the amended Rule of Procedure, adopted by the Assembly on the 29th September (Resolution No. 32*), will be found in Annex (i) of Appendix II, which gives the complete Rules of Procedure of the Assembly as amended by the Third Assembly (*see* page 52).

*Not reprinted.

AMENDMENTS TO ARTICLES 4 AND 7 OF THE RULES OF PROCEDURE.

29. On the proposal of the Spanish delegate the Committee and the Assembly accepted slight amendments to Articles 4 and 7 of the Rules of Procedure. The object of the amendment of Article 4 was to bring the rule into conformity with the present practice by which the yearly report submitted to the Assembly on the work of the Council and of the Secretariat is combined, as is indeed inevitable, in one general report, and does not take the form of two separate reports, (1) on the work of the Council and (2) on the work of the Secretary-General, as is implied by the wording of the original Rule 4 of the Rules of Procedure. The amendments of Article 7 were intended to obviate a slight difficulty, which was pointed out by the Spanish Delegation at the first session of the Assembly. Under Rule 8 of the Rules of Procedure the President, in framing the agenda, is required to be assisted by the "General Committee," which consists of the President, six Vice-Presidents, and the Chairmen of the main Committees of the Assembly. It was found convenient that the election of the Vice-Presidents should not take place on the first day, and certain action by the President was criticised by the Spanish delegate as out of order, as having been taken without the advice of the General Committee, which had not yet been constituted. The Spanish delegate was overruled on this point by 18 votes to 16, but the revised rule now adopted will obviate any such difficulty. The amended texts of Rules 4 and 7, adopted by the Assembly on the 29th September (Resolution No. 36*), will be found in Annex (i) of Appendix II (*see* pages 52 and 53).

RATIFICATION OF AMENDMENTS TO THE COVENANT.

30. Both in connection with the allocation question and the question of framing rules for the election of non-permanent Members of the Council, it became apparent that the gravest difficulties arose from the fact that the amendments to the Covenant approved by the last Assembly had not been ratified before the sittings of this Assembly. The First Committee accordingly adopted a Resolution calling the attention of delegations to the importance of getting their Governments to ratify these amendments (with the exception of amendments 2 and 3 to Article 6, which, in any case, could not come into force owing to the French refusal to ratify). Lord Balfour in the Assembly independently moved a similar motion, and the following Resolution was accordingly adopted:—

Assembly Resolution No. 34 (29 Sept.).

"The Assembly declares that it is of the highest importance that the amendments to the Covenant already passed, with the exception of amendments 2 and 3 to Article 6, should be ratified by the Governments of the States Members of the League, and it requests the Council to take all proper measures to secure this result."

31. Acting under full power and in accordance with the instructions received from you, Lord Chelmsford signed on the 7th September the protocols of amendment to Articles 4, 12, 13, 15 and 26 of the Covenant, and withheld signature to the protocols of amendment to Articles 6 and 16. The latter the British Empire has not yet decided to accept, but there is, in our opinion, now no reason why the first amendment to Article 6 should not be ratified by India at once. In view of the facts detailed in paras. 11 to 18 above, there appears to be no longer any reason for withholding ratification of the amendment, which places the power of decision on the question of allocation in the hands of the Assembly. Such decision would, of course, normally have to be taken unanimously.

It is noteworthy that the Third Assembly did not recommend any fresh amendments to the Covenant.

Work of Committee No. II.—The Work of the Technical Organisations of the League.

PROVISIONAL ECONOMIC AND FINANCE COMMITTEES.

ADVISORY AND TECHNICAL COMMITTEE ON COMMUNICATIONS AND TRANSIT.

32. The discussion in the Second Committee of the Assembly on the reports of these Committees was without any special interest. In effect it

* Not reprinted.

amounted to little more than approbation of the work done by these Committees and encouragement to continue and extend their activities. In Annexes (v) and (vi) respectively of Appendix II. will be found copies of the reports of the Second Committee on these subjects, which give convenient reviews of the ground covered by the work of these two Committees of the League. In those annexes is also given the text of the resolutions passed by the Assembly (*see* page 75).

Health Organisation of the League.

33 The discussion in Committee II. on the work of the Health Organisation centred round three main topics. The first was a proposal that the Health Organisation should be established as a permanent organisation of the League. Fears were expressed by the delegates of Holland, Great Britain, Australia and New Zealand that this would lead to further expenditure by the League. The question was again raised whether the projected organisation would not duplicate the work of the Office Internationale d'Hygiène Publique at Paris, and if the final result would not be to create a kind of super-State administration, which in its turn would necessitate further organisations. The Director of the Office Internationale d'Hygiène Publique in Paris (who was also a member of the Provisional Health Committee) and the Director of the Health Section of the Secretariat, replied to these criticisms. The Office Internationale, played, they explained, the part performed by the General Conference in normal technical organisations, the provisional Committee established by the Council was the executive organisation and the Health Section of the Secretariat was the *liaison* organisation. The proper part to be played by the Health Organisation was primarily that of corresponding with public health organisations, and of providing a centre for information in the conduct of enquiries. It was also entrusted with the task of carrying on the necessary work of unification, such as the establishment of a unit of measure for the standardisation of sera. They pointed out the importance of the support afforded by the Rockefeller Foundation. The Committee also considered a suggestion of the Serb-Croat-Slovene delegate that an International Conference might be summoned on the model of the Transit Conference, in order to establish a permanent committee. The final result of the discussion was that the question was left over for the Fourth Assembly to deal with, with a suggestion that the principles of a possible constitution might be worked out in the meantime.

34. The second main topic of discussion on this subject was the collection of funds from Governments who were prepared to contribute towards fighting epidemics in Central Europe. Lord Balfour had already announced in the Assembly that the British Government were prepared to contribute one-third of the total amount raised by Governments (*i.e.*, half the amount raised by all the other Governments together), subject to a maximum contribution of 100,000*l.* by the British Government. It was suggested that all delegations should communicate with their Governments, with a view to announcing before the Assembly broke up what assistance (if any) could be furnished. No further offers were however in fact announced in the Assembly before it broke up. We communicated with you on this subject in our letter of 16th September, expressing the view that, so far as we were in a position to judge, there was no special need for any contribution from India for this purpose.

35. The third topic of discussion, which aroused a certain amount of controversy, was the proposal that the sum of 125,000 gold francs should be charged to the general budget of the Health Organisation as a contribution towards the expenses of the Epidemic Commission, on the ground that this Commission had carried out a considerable amount of work of general utility. Almost all the British Empire delegates, including the delegate for India, expressed concern at this proposal, which would not only increase the present financial burden of the League, but seemed likely to tend eventually to the establishment of the Epidemic Commission as a permanent sub-section of the Health Department of the League. In the resolution finally adopted on this

subject deciding, with the concurrence of the Fourth Committee, to grant a sum of only 50,000 gold francs to the Epidemic Commission, the temporary nature of the Commission was emphasised (*see* page 86).

36 The report of the Second Committee on the work of the Health Organisation is given in Annex (vii) of Appendix II., where will also be found the text of the resolutions adopted by the Assembly (*see* page 80).

Intellectual Co-operation.

37. In 1921 the Second Assembly adopted resolutions as to the nomination by the Council of a Committee, to consist of not more than 12 members and to contain both men and women, to examine the international questions regarding intellectual co-operation (*see* Indian Delegation's Report of 1921, page 42). The report of this Committee, hereinafter referred to as the Committee on Intellectual Co-operation, was considered by Assembly Committee II., when the Chairman of the former Committee, Professor Bergson, made a statement concerning the state of intellectual life in Europe after the war, and then read resolutions which he had already presented to the Council. These resolutions, which he asked the Committee to adopt, concerned the assistance to be given, scientific documentation, and international and inter-University co-operation. Professor Gilbert Murray (South Africa) introduced an amendment to the effect that the Committee hoped to be able to take advantage of the collaboration of the learned men of all countries. He thought that the holding of international congresses was not perhaps practicable, so long as intellectual collaboration of the learned men of all countries encountered certain opposition. A proposal by the Chinese delegate that the Committee should refer a recommendation on the question of moral education to the Committee on Intellectual Co-operation for a preliminary study was adopted. Sir James Allen (New Zealand) drew attention to the financial implications of the proposed resolutions, particularly as regards the scheme for an international fund for scientific research. After an exchange of views, it was agreed that the maximum sum which could be contemplated for this purpose was 180,000 francs. A Sub-Committee was appointed to study a proposal made by M. Avramovitch (Serb-Croat-Slovene) to the effect that books and documents should be sent to the Universities and Polytechnic establishments of the countries which had been deprived of their collections owing to the devastations of the war, and which were unable to procure others owing to their financial difficulties. An amendment of M. Munch (Denmark), regarding the collaboration of the *savants* of every country in international conferences of scientific men, was also referred to the same Sub-Committee, which unanimously adopted the resolution proposed by M. Avramovitch regarding the supply of books and which became No. 5 in the resolutions printed below. As regards the resolution proposed by the Danish delegate, regarding the collaboration of *savants*, which corresponded to a resolution proposed by Professor Gilbert Murray, the Sub-Committee was of opinion that the case was met by the addition to paragraph 1 of the resolution of the words proposed by Professor Gilbert Murray, and it thought it desirable that the consideration of the resolution should be referred to the Committee on Intellectual Co-operation. M. Munch accepted that solution. On the discussion of the draft resolution as a whole there was a prolonged exchange of views as to whether the financial position of the League justified the Committee in recommending their adoption. The British, Dutch, Australian, and New Zealand delegates did not favour them, but proposed that they should be re-drafted in such a way that no actual expenditure should be obligatory on the League. This proposal, which received four votes, was rejected by the Committee. It was decided that the League of Nations could not dissociate itself from intellectual co-operation and thus jeopardise the work so brilliantly begun. It could not refuse to take advantage of the co-operation of *savants* such as M. Bergson, Professor Einstein and Mme. Curie, who offered their collaboration freely. On the proposal of the British representative, the Committee decided to amend the resolutions in the sense that Committee IV. should set a limit to the funds to be expended for this purpose, but informed

the Fourth Committee that the programme of work approved by the Council since the preliminary budget had been prepared would require 180,000 frs., whereas only 50,000 of the 75,000 frs. allotted for the International Bureaux and the Committee on Intellectual Co-operation, would be available for the latter. The Fourth Committee recommended a supplementary grant of 50,000 frs., thus increasing the budgetary provisions for intellectual co-operation from 50,000 to 100,000 frs.

38. In the Assembly, M. de Jouvenel (France), *rapporteur*, explained that the Committee on Intellectual Co-operation had begun by making an inventory of the intellectual patrimony of mankind. For this purpose it had instituted Sub-Committees, to study the unification of regulations for archæological questions, the internationalisation of methods of bibliography, and the question of an international index and catalogue, etc. It had afterwards made a list of the international institutions occupied in intellectual work. The Assembly was invited to approve the plan of work which had thus been drawn up. It consisted (1) of protecting the intellectual patrimony of mankind, (2) of the development of this patrimony, (3) of improving the material situation of intellectual workers and the methods of collaboration in intellectual work. The Committee also proposed to study the question of intellectual property, and the steps to be taken to permit workers to maintain their position between the manual workers and the capitalists, with a view to a more scientific organisation of labour. The Assembly unanimously adopted the resolutions of the Second Committee, *viz* :—

Assembly Resolution No. 29 (28 Sept.).

"1. The Assembly takes note of the Report of the Committee on Intellectual Co-operation, and highly appreciates the work accomplished by that Committee during its first session, and also the systematic and judicious method in accordance with which the Committee has drawn up the programme of its future work; the Assembly congratulates the Chairman of the Committee on Intellectual Co-operation, M. H. Bergson, together with his colleagues, upon their useful and remarkable work, and expresses the hope that the Committee will pursue its work with the help of the most competent men of all countries to the extent allowed by the credits voted by the Assembly.

"2. The Assembly notes with satisfaction the resolutions in which the Council has authorised the Committee on Intellectual Co-operation to undertake an inquiry into the position with regard to intellectual work, and to appoint three sub-committees to investigate questions of Bibliography, questions of Inter-University Co-operation, and questions of Intellectual Proprietary Rights.

"3. The Assembly decides to send an appeal to all countries which have not yet accepted the conventions relating to the International Exchange of Publications, signed at Brussels on 15th March 1886, asking them to give their adhesion thereto.

"4. The Assembly has noted with much interest the detailed investigations carried out by the Committee on Intellectual Co-operation, regarding the conditions of intellectual life in countries where its continuance is especially endangered. The Assembly invites the Council to follow up this important question within the limits proposed by the Committee on Intellectual Co-operation.

"5. The Assembly invites the Council to stimulate an intellectual co-operation based upon international solidarity, in order to procure scientific books and documents for the Universities and schools of those countries which, as a result of war, have been deprived of them and which have not sufficient resources to acquire them."

39. When the Assembly was considering the general estimates for 1922 M. Reynald (France) proposed that the supplementary credit for 50,000 francs for the work of the Committee on Intellectual Co-operation should be increased to 100,000 francs. This proposal was supported by His Highness the Maharaja Jam Saheb of Nawanagar in a speech* in which he pointed out that, if the League was to undertake work of this kind at all, it was no good to spoil the ship for a hap'orth of tar. The proposed increase was hotly contested by practically all other parts of the British Empire, who emphasised the view that it was undesirable for the Assembly to vote money the expenditure of which had not been recommended by its Finance Committee. A vote was taken, 25 States being in favour of the increase and 12 against (South Africa, Australia, British Empire, Canada, China, Denmark, Esthonia, Norway, New Zealand, Panama, Netherlands, Siam) (*see also* para. 58 below).

*See page 135.

Pan-American Congress at Santiago.

40. The Assembly, on the recommendation of Committee II., unanimously passed the following Resolution, which had been submitted by the Brazilian delegate :—

"The Assembly expresses a desire that at the next Pan-American Congress, the Members of the League of Nations represented at the Congress should call the attention of the latter to the work of the Technical Organisations of the League of Nations ;

Assembly Resolution No. 38 (30 Sept.).

" Expresses a desire that these Members should consider the means by which any future action contemplated by the Pan-American Congress in connection with any question which is being dealt with by the Technical Organisations of the League of Nations may, as far as possible, be carried on in co-operation with these Organisations, and

" Recommends that, if necessary, the Council should authorise the Technical Organisations to co-operate in any action of general interest which the Pan-American Congress may decide to take."

Work of Committee No. III.—Reduction of Armaments.

41. The discussions on this question were based on the Report of the Temporary Mixed Commission. This Report is an important document of some length, which repays study, and it is not proposed to attempt to give a summary of its contents. The chief centre of interest was Lord Robert Cecil's proposal, adopted by the Commission, for a Treaty of Mutual Guarantee, explained on pages 11—14 of the Report.

Lord Robert Cecil asked for general approval of the proposal that the line of advance should be as outlined therein, that the Governments of the Members of the League should be asked to examine the principles suggested, and that in the meantime the Temporary Mixed Commission should be requested to elaborate a model draft Treaty of Mutual Guarantee which might be considered by the Assembly next year. To focus discussion Lord Robert Cecil tabled the following resolutions taken from the Report of the Temporary Mixed Commission :—

" I. No scheme for the reduction of armaments can ever be really successful unless it is general.

" 2. In the present state of the world, the majority of Governments would be unable to accept the responsibility for a serious reduction of armaments unless they received in exchange a satisfactory guarantee of the safety of their countries.

" 3. Such a guarantee can be found in a general defensive agreement between all countries concerned, binding them to provide immediate and effective assistance in accordance with a prearranged plan in the event of one of them being attacked, provided that the obligation to render assistance to a country attacked shall be limited in principle to those countries situated in the same part of the globe. In cases, however, where for historical, geographical or other reasons, a country is in special danger of attack, detailed arrangements should be made for its defence in accordance with the above mentioned plan.

" 4. It is understood that the whole of the above resolutions are conditional on a reduction of armaments being carried out on lines laid down beforehand, and on the provision of effective machinery to ensure the realisation and the maintenance of such a reduction."

42. A lengthy and interesting debate took place on these resolutions. It was plain that on the whole the resolutions met with general support, but the discussion revealed at times a certain amount of mutual suspicion between three main parties, of which the protagonists were : (1) Lord Robert Cecil, who desired that the scheme should be as far as possible universal, and that the treaty should be conditional on a general reduction of armaments following immediately ; (2) M. de Jouvenel (France), who pressed that it should be made possible for the scheme to be limited in scope at first and for the reductions in armaments to be proportionate to the amount of security given by the limited Treaty of Guarantee ; and (3) by M. Lange (Norway), who emphasised the risk that for some States the obligations accepted under the Mutual Guarantee Treaty might necessitate an increase rather than a decrease of armaments, and also pressed that it must be made plain that the Mutual Treaty should be open to any nation which cared to join it, so as to avoid the danger of it becoming merely an alliance of the old type. Mr. Fisher (British Empire) explained that in supporting the

resolutions he could not, of course, bind his Government to enter into any Treaty of Mutual Guarantee, or to the acceptance of this principle as the only way of reducing armaments; but he did take the view that this was a promising method which should be further explored. He pointed out the very great practical difficulties that arose in the case of the British Empire if a Mutual Guarantee is entered into by European States, including Great Britain. It would follow that all parts of the Empire, however distant from Europe, would be involved in such a treaty and apparently be under an obligation to come to the assistance of a European Power.

43. The Committee confined itself to a general discussion of the broad principles of the Treaty of Mutual Guarantee, and did not examine such illustrative details as are given in the Report of the Temporary Mixed Commission of the machinery that might be used to make the Guarantee effective. M. Lange proposed, however, that when the Temporary Mixed Commission came to work out their proposals into a more concrete form, they should adopt a different test to determine the "aggressor" State from that suggested in the Report, *viz.*, the State decided by the Council to be the one which has deliberately violated the territory of the other. He suggested, for consideration, that the aggressor should be taken to be the State which refused to submit a dispute for pacific enquiry. This question was left in abeyance. M. Lange also obtained approval to a proposal that the Temporary Mixed Commission should devote attention to the case of possible regional agreements in certain parts of the world in which an even greater reduction of armaments might be attainable than that likely to follow from a general Mutual Guarantee Treaty. Count Tosti (Italy) expressed some apprehension that the Guarantee Treaty might conflict with existing treaties, but his view was not generally shared by the Committee. The resolutions which were finally adopted by the Committee on the subject of the Guarantee Treaty (*see* para. XIV. of the Assembly Resolutions given below) left it open whether progress should be made by means of a general treaty as desired by Lord Robert Cecil or by means of a partial treaty, capable of further expansion later, as advocated by the French.

44. At the conclusion of the Committee's work on this particular subject, Lord Robert Cecil, taking as his text the thesis that material disarmament is impossible without moral disarmament, and that moral disarmament can only be achieved by the attainment of mutual confidence—to which the chief obstacle at present is the economic chaos of the world—proposed to add to the resolutions adopted by Committee I., a lengthy resolution advocating a reference to the League of Nations on the problem of reparations and inter-allied debts. When discussion on this subject was resumed, after a two days' delay by general agreement, a briefer and clearer resolution proposed by M. de Jouvenel and supported by Mr. Fisher was substituted for that of Lord Robert Cecil. The debate on this resolution obtained considerable attention from the public and the Press. In view of the interest attaching thereto it is given in full in Appendix III. (*a*). The resolution finally adopted by the Third Committee, and subsequently by the Assembly, forms para. XVI. of the Resolution given below.

45. The question of the greatest importance after that of the Treaty of Mutual Guarantee, which was dealt with in Committee No. III., was that of the reduction of Naval Armaments. The Temporary Mixed Commission had prepared a draft treaty in outline on the lines of the Washington Treaty for Naval Armaments, to which all States might adhere. The proposal to summon next year an international Conference to consider the possibility of following some such course as this was approved by the Committee after words had been inserted in the Resolution given below, with a view to relieving the fears expressed by some States—notably by Brazil, which argued that her navy was already below that essential for the defensive protection of her long coastline, and by Poland, which pointed out that, although she had no navy at present, she did not wish to be estopped from the possibility of acquiring one at some future date. It may be pointed out that India has no direct interest in this question; as she is already a party to the Washington Agreement.

46. The Committee approved a proposal by Sir Mark Sheldon (Australia) that Governments should be urged to adhere to the Washington Convention regarding the use of poison gas and submarines. M. Urrutia (Colombia) withdrew a somewhat similar proposal on the same subject in favour of that of Sir M. Sheldon.

47. A resolution was adopted on the motion of M. de Jouvenel, inviting States which had no special reasons for maintaining large armaments to reduce the total of their defence expenditure to the figures of 1913, after allowing for the difference between pre-war and post-war prices.

48. It was generally admitted that it was impossible to make further progress as regards the limitation of the traffic in arms or their private manufacture, unless it was possible to obtain the co-operation of the United States. The refusal of that Government to adhere to the Convention of St. Germain was received shortly before the opening of the Assembly, but as that refusal contained an expression of willingness to co-operate on this subject, it was decided to recommend that the Council should take such steps as might be possible to find out from the United States Government to what extent it would be possible to get them to agree to act.

49. The final report of the Third Committee which was submitted to the Assembly is of interest, and also renders more easily intelligible the resolutions given below which were passed by the Assembly, and its text is therefore reproduced in full in Annex (viii) of Appendix II. It deals also with various comparatively minor points not mentioned in this section of our report. The debate in the Assembly on this report opened on the 26th September with a long speech by Lord Robert Cecil, who reviewed the recommendations in the report, and concluded with an appeal to the peoples of the world to choose between progress on the lines recommended by the League and the abandonment of all hope of saving civilisation from the horrors of the next war, which would utterly destroy it. The proposals of the report were supported by M. Scialoja (Italy), who emphasised the impossibility of starting with a *general* Treaty of Mutual Guarantee, and by M. de Jouvenel in an eloquent speech, which nevertheless left the audience in some doubt as to the precise interpretation to be placed upon it. Mr. Fisher, in supporting the proposals, was careful to point out the many difficulties which lay in the way of a successful carrying through of the plan of a Treaty of Mutual Guarantee, and he declared it to be his view that the attitude of the British public towards these proposals would be dependent very largely on the temper and tone shown on the Continent, and on the evidence that might be forthcoming of a real desire to use the proposed Treaty of Guarantee for the purpose of securing disarmament and maintaining European peace. Further support to the proposals was given by the Japanese, Netherlands, Spanish and Persian delegates. The Swedish and Norwegian delegates, in supporting the proposals, emphasised the point of view which they had adopted in Committee, that in some regions of the world disarmament might proceed faster than would be likely to be possible if it waited upon the adoption of a Treaty of Mutual Guarantee. Dr. Munch (Denmark) raised a completely new point in proposing to condemn the principle of compulsory military service. The Assembly finally adopted unanimously the resolutions of which the text is given below. The speeches of M. de Jouvenel and Mr. Fisher in the Assembly are given in full in Appendix III. (*b*) (page 114).

Assembly Resolution No. 23, (27 Sept.).

I. (*a*) The Assembly considers it desirable that the Temporary Mixed Commission should be asked to continue for another year the work which it has begun and that its report be submitted at an early date previous to that of the next Assembly. The Assembly further requests the Council to invite the Members of the League to lend their assistance to the Commission in its difficult task, and to give their assistance and advice with regard to proposals for reduction of land armaments and a Treaty of Mutual Guarantee.

(*b*) The Assembly desires to express its sense of the great value of the collaboration that has existed between the Temporary Mixed Commission and the Permanent Advisory Commission, and trusts that it will continue and, if possible, increase. The Assembly is of opinion that the great technical competence of the Permanent Advisory Commission cannot but be of essential service in the study, from the technical military point of view, of the questions with which the Temporary Mixed Commission deals.

II. The Assembly recommends that, as a preliminary step, the European States existing before the war of 1914, under their present description, whose juridical status has not been altered by the war, and which are not, at the moment, engaged in military operations which justify their armaments, be invited to reduce the total of their military, naval and air expenditure to the figures for 1913, calculated on the basis of pre-war prices according to the method employed by the Temporary Mixed Commission.

III. The Assembly expresses its satisfaction at the remarkable work accomplished in collecting and drawing up statistical data in an entirely new and peculiarly difficult field.

Taking into account the work accomplished, and reserving the question of the scope which it might be necessary to give to a statistical enquiry at a later date, the Assembly desires to determine for the coming year the programme which appears to it both immediately useful and practicable. It therefore proposes that this programme should be limited to the two following points :—

(1) Peace-time armaments ;

(2) Expenditure on armaments.

The Assembly considers it desirable that the Council should request the Permanent Advisory Commission to collaborate with the Temporary Mixed Commission in that part of the work which deals with technical military, naval and air questions.

IV. The Assembly, having considered the report of the Temporary Mixed Commission, is of opinion that the only step which could usefully be taken in connection with surplus stocks of arms and ammunition is the control of the international traffic in arms.

V. The Assembly, having noted the proposal of the Temporary Mixed Commission for an international agreement for the control of the manufacture of arms by private companies, urges on the Council to consider the advisability of summoning, at an appropriate moment, a conference of the Members of the League to embody this agreement in the form of a convention. The Assembly is further of the opinion that States not Members of the League should be invited to participate in this conference and to co-operate in the policy on which it may agree.

(*a*) The Assembly considers it highly desirable that the Government of the United States should express the objections which it has to formulate to the provisions of the Convention of St. Germain, as well as any proposals which it may care to make as to the way in which, these objections can be overcome.

(*b*) The Assembly is of the opinion that the Temporary Mixed Commission should be instructed to prepare a scheme for the control of the international traffic in arms, to be considered by the Conference which is to deal with the private manufacture of arms.

(*c*) The Assembly requests the Council to take such steps as it thinks advisable to carry out the purposes above indicated.

VII. (*a*) The Assembly, having considered the report of the Temporary Mixed Commission on the subject of the development of chemical warfare, approves its action in establishing a special Sub-Committee to report on the probable effects of chemical discoveries in future wars, and requests the Council and the Temporary Mixed Commission to take every possible measure to secure the fullest publicity for the report of this Sub-Committee.

(*b*) The Assembly requests the Council to recommend the Members of the League and other nations to adhere to the Treaty of Washington (6th February 1922) concerning the use of asphyxiating gas and submarines in war, and other similar matters.

VIII. The Assembly, having considered the answers from the Governments of twenty-six Members of the League to the enquiry issued to them by the Council, as to the requirements of their national security desires to state that it attaches the utmost importance to these replies as affording a basis for the further deliberations of the Temporary Mixed Commission, and recommends to the Council that it should once again urge the Members of the League which have not yet sent in their replies to do so without delay.

IX. The Assembly approves the recommendation of the Temporary Mixed Commission that the Council should consider whether the time has not come to discuss the application of the paragraph of Article 8 of the Covenant relating to the exchange of military information between States Members of the League.

The Assembly expresses its satisfaction at the work accomplished at Washington in connection with the reduction of naval armaments.

XI. (*a*) The Assembly welcomes with interest the Chilian Government's initiative in submitting the question of disarmament to the Pan-American Congress which is to meet at Santiago in March 1923.

The Assembly expresses the hope that the Congress may arrive at practical solutions capable of being fitted into the more general scheme of disarmament which is being considered by the League of Nations.

(*b*) The Assembly recommends to the Council that the expert services of the League of Nations should eventually be authorised to co-operate in the work of the Pan-American Congress of Santiago.

The Assembly recommends :

XII. (*a*) That an International Conference should be summoned by the Council as soon as possible, to which all States, whether Members of the League or not, should be invited, with a view to considering the extension to all non-signatory States of the principles of the Washington Treaty for the limitation of naval armaments, it being understood that any special cases, including those of the new States, shall be given due consideration at the Conference.

(*b*) That the report of the Temporary Mixed Commission, together with the report and the draft Convention prepared by the Permanent Advisory Commission, as well as the text of the Washington Treaty, should be forwarded immediately to the various Governments for consideration.

XIII. The Assembly, having examined the report of the Temporary Mixed Commission on the general principles of land and air disarmament, instructs the Commission to continue its investigations on the basis of these principles, with a view to preparing for the consideration of the next Assembly a definite scheme for the general reduction of land and air armaments.

XIV. (*a*) The Assembly, having considered the report of the Temporary Mixed Commission on the question of a general Treaty of Mutual Guarantee, being of opinion that this report can in no way affect the complete validity of all the Treaties of Peace or other agreements which are known to exist between States; and considering that this report contains valuable suggestions as to the methods by which a Treaty of Mutual Guarantee could be made effective, is of the opinion that:

(1) No scheme for the reduction of armaments, within the meaning of Article 8 of the Covenant, can be fully successful unless it is general.

(2) In the present state of the world many Governments would be unable to accept the responsibility for a serious reduction of armaments unless they received in exchange a satisfactory guarantee of the safety of their country.

(3) Such a guarantee can be found in a defensive agreement which should be open to all countries, binding them to provide immediate and effective assistance in accordance with a prearranged plan in the event of one of them being attacked, provided that the obligation to render assistance to a country attacked shall be limited in principle to those countries situated in the same part of the globe. In cases, however, where, for historical, geographical, or other reasons, a country is in special danger of attack, detailed arrangements should be made for its defence in accordance with the above-mentioned plan.

(4) As a general reduction of armaments is the object of the three preceding statements, and the Treaty of Mutual Guarantee the means of achieving that object, previous consent to this reduction is therefore the first condition for the Treaty.

This reduction could be carried out either by means of a general Treaty, which is the most desirable plan, or by means of partial treaties designed to be extended and open to all countries.

In the former case, the Treaty will carry with it a general reduction of armaments. In the latter case, the reduction should be proportionate to the guarantees afforded by the Treaty.

The Council of the League, after having taken the advice of the Temporary Mixed Commission, which will examine how each of these two systems could be carried out, should further formulate and submit to the Governments for their consideration and sovereign decision the plan of the machinery, both political and military, necessary to bring them clearly into effect.

(*b*) The Assembly requests the Council to submit to the various Governments the above proposals for their observations, and requests the Temporary Mixed Commission to continue its investigations, and, in order to give precision to the above statements, to prepare a draft Treaty embodying the principles contained therein.

XV. The Assembly, whilst declaring that the reduction of armaments contemplated by Article 8 of the Covenant cannot achieve its full effect for world-peace unless it be general, desires to emphasise the importance of regional agreements for the purpose of reducing armaments—agreements which, if necessary, might even go beyond the measures decided upon in respect of general reduction; and requests the Council to ask the Temporary Mixed Commission to take into consideration, during its subsequent work, the possibility of recommending the conclusion of similar agreements to States which might be concerned.

XVI. The Assembly, considering that moral disarmament is an essential preliminary condition of material disarmament, and that this moral disarmament can only be achieved in an atmosphere of mutual confidence and security;

Declares that such confidence cannot be attained so long as the world continues to suffer from disorganisation of the exchanges, economic chaos and unemployment, and that the only method of remedying these evils is to put an end to the uncertainty which prevails regarding the means for the restoration of the devastated regions and the settlement of the inter-Allied debts;

Expresses the hope that, in so far as these questions can be regulated by the unaided efforts of the European nations, the Governments signatories of the international treaties and agreements which deal with these questions, and within the framework of which they must be envisaged, will achieve as soon as possible a general settlement of the problem of reparations and inter-Allied debts.

It further recommends that the Council shall devote constant attention to every effort made in this direction by the Governments concerned, it being understood that it can only usefully assist in the solution of these problems if requested to do so by the Governments in question.

Work of Committee No. IV. Budget and Financial Questions.

50. The most important step taken this year by the Fourth Committee was the approval of the new regulations for the financial administration of the League, which had been drafted by the Commission of Control, which is, in future, to be called the Supervisory Commission * which are given in Annex (ii) of Appendix I. These regulations mark a very great advance from the position which existed in the early days of the League, and if properly administered by the Secretary-General and his officials, to whom a good deal of power is given, should produce satisfactory results. Most unfortunately, a proposal in the original draft that interest should be charged on the contributions of States which were in arrear was defeated through the opposition of several Members of the League, which threatened to result in blocking the adoption of the whole of the regulations if their views on this point were not accepted. It was also unfortunate that the Committee were not prepared to adopt a proposal of the French delegate that the sums paid in successive budgets towards the establishment of a working capital fund should be considered as loans made by each Member of the League to assist the working of the Treasury, and that when a new Member entered the League that Member should pay to the working capital funds a sum equal to that furnished by Members whose contributions were comparable to its own. This suggestion has, however, been referred for further examination by the Supervisory Commission.

The Assembly adopted the financial regulations in the following Resolution :—

"Whereas the recommendation of the Assembly adopted on 17th December 1920, with regard to the administration of the finances of the League of Nations, as modified by the recommendation of 4th October 1921, requested the Council to prepare, for the annual session of the Assembly in 1922, a final resolution concerning the administration of the finances of the League of Nations : Assembly Resolution No. 35, (29 Sept.).

"And whereas the Council requested the Supervisory Commission to prepare a draft of such resolution, and the Commission has submitted such draft, which has been considered by the Assembly :

"The Assembly of the League of Nations adopts the Regulations† for the administration of the finances of the League of Nations."

51. A special Sub-Committee of Committee IV was appointed to investigate the question of unpaid contributions. This Committee examined representatives of all those States whose contributions were in arrear. It appeared that, on the whole, the most important cause of non-payment was the continued operation of the scale of allocation of the Universal Postal Union, which laid on many small States an inequitable burden. Most of the delegates declared that their countries intended to pay the arrears as soon as possible, and some promised immediate payment. It is somewhat regrettable that, in dealing with this delicate question, the Committee did not find itself able to adopt any more helpful conclusion than that the Secretary-General should invite those countries which found themselves unable to pay the amount due in one sum to liquidate their obligations by paying a supplementary amount (without interest) in addition to the sum due each year under the new scale,

* The Commission was composed in 1922 as follows :—M. G. Noblemaine (Member of French Parliament), Chairman ; Dr. J. A. Nederbragt (Head of Economic Division of Ministry of Foreign Affairs of the Netherlands), Rapporteur ; Sir James Allen (High Commissioner for New Zealand in London) ; Dr. Stephen Osusky (Minister of Czecho-Slovakia in Paris ; M. Luis Waddington (Financial Adviser to Chilian Legation in London).

† *See* page 56.

until the whole amount of their debt had been adjusted. As regards some of these States the Secretary-General was to propose to the Commission of Control a solution best fitted to their exceptional circumstances.

The Assembly adopted the following Resolution :—

Assembly Resolution No. 31 (29 Sept.).

"The Assembly approves the principles and proposals which are laid down in the report of the Fourth Committee (A. 145, 1922 X) concerning the contributions still remaining to be paid for the fiscal years up to January 1922."

The Report of Committee IV referred to therein merely reproduced the findings of the Sub-Committee summarised above.

52 A Sub-Committee of the Fourth Committee also examined the question of the accommodation for the International Labour Office. During the proceedings of the Assembly the Swiss Federation and the Canton State of Geneva offered to the League premises adjacent to the present Secretariat of an area of 4,493 square metres, and a property in the Rue de Lausanne on the shores of the lake of an area of 35,845 square metres. On the advice of the Committee the Assembly unanimously decided to accept these generous offers. The first property seemed suitable for the eventual building of an Assembly Hall adjoining the Secretariat (Hotel National), and the second for a building to accommodate the International Labour Office. It is suggested that provision for these buildings should be made in the budget of the League, commencing in 1926, as soon as payment for the Hotel National is completed.

53. The Committee was not able to make much progress with an important suggestion by the French delegate that rules should be laid down to ensure that expenditure which was incurred only in the interests of certain members of the League should not be charged to the general budget, though a resolution confirming the validity of this principle was again passed by the Committee and the Assembly.

The Committee received too late to deal with it a report of the Salaries Adjustment Committee on the subject of the deferred pay and pension scheme for the Secretariat and International Labour Office, and it was decided to defer consideration of this important question until the next Assembly.

54. The consideration of the budget of the League for 1923 was not expedited as much as it should have been by the preliminary work done by the Supervisory Commission. Most of the ground covered by that Commission was gone over again in the Fourth Committee, almost every item of expenditure being carefully scrutinised. Among the leading critics were Colonel Ward (British Empire) and Sir Joseph Cook (Australia). It seems desirable, if in future the Fourth Committee is not to waste its time in discussing details rather than general principles, that some machinery should be devised by which the criticisms which the Members of the League desire to offer on the details of the budget should be made through the Supervisory Commission before that body recommends the budget for consideration by the Assembly; though of course the final control must rest with the Assembly acting through its Fourth Committee. At one of the early meetings of the Committee His Highness the Jam Saheb expressed warm approval of the work of the Supervisory Commission, and congratulated M. Noblemaire and his colleagues on their valuable report and on their work, which had done much to eliminate those financial imperfections which had caused former Indian delegations to occupy the position of somewhat keen critics. Among the proposals suggested by the Supervisory Commission, which the Fourth Committee and the Assembly eventually adopted, were the substitution of the Swiss franc for the gold franc in all financial transactions of the League from the 1st January 1923, and the adoption of the Governmental system of accounts in place of the commercial system hitherto used.

55. The following table shows under the main heads :— Expenditure for 1921, Budget for 1922, Budget for 1923 after scrutiny by the Supervisory Commission, alterations made in the Budget for 1923 by the Fourth Committee, Supplementary Estimates approved by the Fourth Committee arising out of recommendations of other Committees of the Assembly, and the Budget for 1923 as finally passed by the Assembly.

A.—Secretariat and Special Organisations.

PART I.—CURRENT EXPENDITURE.

CHAPTER.	1921. Expenditure.	1922 Budget.	1923 Budget Estimate of Secretary-General as modified by Commission of Control.	Alterations made by Fourth Committee of Assembly.	Supplementary Credits.	1923 Budget as finally passed.
	Gold francs.	Gold francs.	Swiss francs.			Swiss francs.
I. Assembly and Council Sessions.	751,763	1,000,000	779,000	−79,000	...	700,000
II. General Services of Secretariat.	6,086,003	6,136,730	6,616,294	+164,151	+60,500	6,840,945
III. Special Organisations of the League.	1,753,880	4,591,375	5,430,507	−435,682	*+372,000	*5,366,825
IV. Refund of Expenses (Vilna Plebiscite).	...	...	263,260	+159,000	...	422,260
V. Profit and loss by Exchange.	174,236	200,000	200,000	...	...	200,000

PART II.—CAPITAL EXPENDITURE.

VI. Buildings, Permanent Equipment, &c.	1,660,367	1,310,230	1,270,167	−7,151	...	1,263,016
VII. Working Capital	1,890,000	...	500,000	...	...	500,000

B.—Permanent Court of International Justice and International Labour Organisation.

I. Permanent Court of International Justice.	339,603	1,500,000	2,000,000	−120,000	...	1,880,000
II. International Labour Organisation.	7,010,000	†7,500,000	8,188,962	+4,000	+7,500	8,200,462
Washington Conference (1919).	20,968	...	...	....	+300,000	300,000 (Conference for extension of Washington Agreement).‡
Total Budgets	19,686,870	22,238,335	25,243,190	−314,682	+740,000	25,673,508

* Includes 50,000 for Intellectual Co-operation, passed by majority vote of Assembly, validity of which is in doubt.

† 1,364,390 of this to be provided from surplus from 1921.

‡ *See* para. XII. (*a*) of Resolution on p. 24.

56. In the discussion in the Assembly on the budget Sir James Allen (New Zealand), made an interesting statement as to the financial position of the League, in which he pointed out that the amount of contributions in arrears on 30th September 1922 was 14,754,000 francs (including 9,614,000 francs owing for the year 1922). Estimating a receipt of a further 3,000,000 francs during the last three months of 1922, it might be anticipated that the current account of the League on 31st December 1922 would show a deficit of 1,825,000 francs which would absorb the whole of the available balance of the "working capital," and still leave a small deficit of 150,000 francs.

As regards 1923, making certain assumptions as to the rate at which the contributions for that year would come in, but not allowing for any receipts

during the year in respect of the 11,754,000 francs of arrears, he estimated that the position was likely to be as follows :—

Quarter ending	Expenditure exceeds Revenue by	Revenue exceeds Expenditure by
	Francs.	Francs.
31st March 1923	3,142,000	...
30th June 1923	312,000	...
30th September 1923	...	1,500,000
31st December 1923	...	1,804,000

The deficit for the first two quarters may be met by borrowing 3,400,000 francs from the Bank, practically the whole of which could be repaid by the end of the year. 1924 would start with a " working capital " of only 500,000 francs, voted in the 1923 budget, instead of 3,500,000 francs considered necessary by the Supervisory Commission.

If all the arrear contributions were paid up during 1923, then the " working capital " would be restored, and a balance of 8,718,000 francs left at the disposal of the Assembly.

He urged that 1923 contributions should be sent in as early as possible in the year, and arrears paid as soon as possible, in order to avoid the necessity of borrowing from the Bank.

57. The Chilian delegate, who was supported by other South American States, urged strongly that expenditure should be limited so as to ensure that the amount contributed by each State should not be increased for a period of three or five years, and asked that the Council should submit a proposal to this effect to the next Assembly.

58. It was mentioned in para. 39 above that when the budget came up for approval an increase of 50,000 francs was approved by a majority vote in the Supplementary Estimates for the work of the Committee on Intellectual Co-operation. The total budget, as increased by this figure, was accepted by the Assembly unanimously. Immediately afterwards M. Trygger raised a point of order, and said that he was not satisfied that the decision to increase the estimate was valid, as the amendment had been passed by a majority vote only, and not unanimously. There are no very clear rules of procedure in passing the budget, and it did not seem possible, on the spur of the moment or at such a late period in the proceedings of the Assembly, to reach any final decision on the constitutional issue involved, and the Assembly therefore unanimously accepted M. Trygger's proposal that the Council should be asked to examine the point and to decide on the action to be finally taken as regards the amount of the vote for the Committee on Intellectual Co-operation. It is to be hoped that the result will be that next year definite rules of budget procedure will be laid down.

59. The Report of the Fourth Committee on the Accounts for 1921, Budget for 1923, Report of the Supervisory Committee, and other matters is given in Appendix II, Annex (ix), page 98, which also gives the resolutions adopted by the Assembly.

Work of Committee V.—Social and General Questions.

Esperanto.

60 On the 15th September 1921 the Second Assembly, resuming the discussion of the question of Esperanto as an auxiliary world-language, which had been adjourned by the First Assembly, adopted a resolution instructing the Secretariat to draw up a complete report for submission to the Third Assembly. The findings of this report, which are definitely in favour of Esperanto, met with considerable criticism in Committee V. Professor Gilbert Murray submitted draft resolutions dealing, firstly with propaganda, and secondly, with the approval and encouragement by the League of the teaching of Esperanto. He was supported by some members of the Committee, among

whom the delegates of China, Japan and Persia were conspicuous. These representatives urged that the League of Nations should make proposals to Governments to extend the use of Esperanto in view of the greater difficulty in their countries of learning Western languages. On the other hand the Norwegian, Brazilian, Swedish and certain other delegates declared themselves entirely opposed to any intervention in such matters by the League of Nations. Professor Gilbert Murray's proposal that States Members should be invited to consider at the forthcoming Postal Conference the possibility of admitting Esperanto in the postal and telegraphic services was rejected in favour of a more cautious view presented by the French delegate. Mrs. Coombe-Tennant stated that the British Postmaster-General was not prepared to accept the suggestion as far as Great Britain was concerned. She also drew attention to certain statements in the Secretariat's Report regarding the teaching of Esperanto in Great Britain—statements which she thought made the Report of appear somewhat biased—and proposed that Chapter V, which summarised the conclusions arrived at by the Secretariat, should be omitted. The Report of the Secretariat, subject to amendments proposed by Mrs. Coombe-Tennant, was adopted unanimously. The Committee finally decided by a majority to present to the Assembly the following Resolutions, which the Assembly adopted, parts I (*a*), (b), (*c*) unanimously, and the second part by 26 against 2 votes :—

1. The Assembly adopts the report of the Secretariat on Esperanto as an auxiliary international language, subject to the following amendments :— Assembly Resolution No. 9, (21 Sept.).

(*a*) That the corrections communicated by the British Delegation be made, and that Chapter V of the report be omitted;

(*b*) That an annex be added to the report, consisting of the whole of the brief and impartial report made by the Paris Chamber of Commerce* on 9th February 1921, of which certain passages only have been quoted;

(*c*) That the resolutions adopted by the Committee be annexed to the report.

2. The questions relating to the teaching of Esperanto shall be referred to the Committee on Intellectual Co-operation, in order that that Committee may give its opinion on the various aspects of the problem of an auxiliary international language.

Opium.

61. The Fifth Committee dealt with various questions affecting opium at the first and second meetings. Mlle. Bonnevie (Norway), who had given material assistance to India last year, and who has both a knowledge of the subject and robust common sense, was elected Vice-Chairman. Prince Charoon (Siam) proposed a series of resolutions, based on the report of the Opium Advisory Committee, which were unanimously accepted; they introduced no new matter and call for no comment. In the course of a somewhat ill-informed discussion of these recommendations various points were raised. Professor Gilbert Murray (South Africa), dissatisfied with the small extent to which the import and export certificate system had already been adopted by Governments, and impressed by the fact that no control was at present exercisable over exports from Turkey and Persia, wished to bring pressure to bear, in order to force Turkey and Persia to put into force the Hague Convention, and to

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* The Paris Chamber of Commerce appointed a Committee in 1920 to examine the problem and unanimously adopted the following conclusions :—

"Whereas transactions throughout the world would be greatly helped by the use of an international auxiliary language;

"Whereas it is in no way intended to prejudice national languages and especially the French language, the literature of which, closely bound up with our history, is rich in imperishable works of genius;

"Whereas the auxiliary language should on the contrary be instituted as a sort of international code language to act as an intermediary between the nations, and should, for this reason, be capable of being learned easily and quickly;

"Whereas Esperanto appears to unite the requisite qualities of clearness and methodical simplicity as regards pronunciation and grammar, vocabulary and richness of expression:

"The Paris Chamber of Commerce—

"(1) Decides to introduce optional instruction in Esperanto in its commercial school;

"(2) Expresses the wish that this instruction should be made general in France and abroad, and that the Chambers of Commerce of all countries, with a view to assisting commercial intercourse, should seek to promote the rapid spread of the international auxiliary language."

induce all Governments to accept the import and export certificate system. His suggestion was that all signatories of the Convention should agree to allow imports only from countries where that Convention was in force, and where the certificate system had been accepted.

India was entirely in accord with the principle of this proposal, but as it involved difficult and complicated technical considerations, Lord Chelmsford proposed, in agreement with Professor Murray, an amendment referring the question for the consideration of the Opium Advisory Committee. This was unanimously accepted. It became clear, in the course of the discussions on this point, that Japan would not have agreed to Professor Murray's resolution, and that the Committee as a whole had begun to feel grave doubts whether it was a wise policy to put forward in Committee far-reaching proposals which it could not in fact subject to close, or technically efficient, examination.

The Persian delegate renewed the suggestion he made last year for propaganda work against opium to be undertaken by the League of Nations; this suggestion was supported by M. Ador (Switzerland) and by other delegates, but was finally dropped when it had been pointed out that the matter had already been dealt with by the Advisory Committee. The delegate for Persia, in the course of his speeches, insisted that Persia exported no opium; this statement was, of course, challenged, but the matter was not pressed when it became obvious that the Committee knew the facts, and that Prince Arfa-ed-Dowleh's assertion was regarded merely with amusement. The delegate for China (Mr. Chu) strongly pressed a proposal to appoint representatives of Turkey and Persia to the Opium Advisory Committee; the futility of this suggestion was pointed out, and the Committee was clearly against it. The matter was eventually, and after considerable discussion, withdrawn. M. Reynald (France) again pressed the point taken by M. Hennessy last year, urging that drugs of synthetic origin should be declared to be covered by the Hague Convention or that a new Convention should be framed; it was obvious from his remarks that he was unaware of the action which had already been taken by the Opium Advisory Committee in the matter. The position was explained; and the opportunity thus presented was again taken to express the view that the Committee would be on very dangerous ground, and might easily render itself ridiculous, if it attempted to put forward substantive motions of a technical character, or involving technical issues. M. Reynald's proposal was then dropped, but an attempt to induce Mr. Chu (China) to withdraw a motion he had proposed, and which amounted merely to a loose and inaccurate rendering of Article 9 of the Hague Convention, was less successful, although the sense of the Committee appeared to be against him. It was eventually agreed that Mr. Chu's motion should be circulated, and discussed at the next meeting.

One of the best speeches delivered was by Mrs. Coombe-Tennant (British Empire), who dealt with the more important of the issues which had been raised during the discussions in a sensible, broad-minded manner. Apart from the absurdities of the proposals of the Chinese and Persian delegates, India was not in substantial opposition to any of the resolutions moved, while the information available as to the actualities of the position enabled it to prevent some gross blunders which would have seriously injured the prestige of the Committee.

62. At the third meeting of the Fifth Committee, Lord Chelmsford dealt with the more general aspects of the opium problem. He pointed out that the Hague Convention, though it had only been in effective operation for about one year and nine months, had already led to important practical results. The position as regards the morphia traffic in the Far East had been elucidated, and there were good reasons to think that the grave evils connected with that traffic would not now be permitted to recur. That, in itself, was an achievement of the greatest importance; but there were many other indications that the Hague Convention was gradually leading to a firmer control of the drug traffic generally. It was pointed out that the stoppage or cessation of abuses would necessarily react on the demand for opium, and interesting statistics were supplied to the Committee showing how the acreage in India, the quantity manufactured at the Government factory there, the quantity exported to all

destinations, and the quantity sold by auction, had all fallen rapidly in the course of the last few years. The point was pressed that the Hague Convention, though practically operative for less than two years, had already borne substantial fruit; there was no reason to think that, given honest and efficient administration, the Convention would prove inadequate for the suppression of all abuses connected with the drug traffic. We required universal acceptance of that Convention; universal adoption of the import and export certificate system; and sincere and effective administration of its provisions. Given that, the grave problems now before the League could undoubtedly be satisfactorily dealt with.

Sir Arthur Steel-Maitland again pressed the view that nothing of value could be achieved unless and until the legitimate requirements of each country as regards cocaine, morphia, &c., had been definitely decided; and he reiterated the suggestion that the Health Committee of the League should be pressed to produce such quantitative data. M. Velghe, of the Health Committee, poured a douche of cold common sense on this suggestion; however advisable it might be to have such data, they could not be given at present; time, much labour, and much patient investigation of the results achieved by Governments sincerely desirous of controlling the traffic would be required before figures of any value could be put forward. In the course of the discussion, several delegates stated that their Governments were prepared to adopt the import and export certificate system; Lord Chelmsford urged, as a practical measure of much value, that each delegate should at once get into touch with his Government on the subject, with the object of announcing, if possible at the forthcoming Assembly meetings, the adhesion of his Government to the system, and their decision to adopt it by the 1st January 1923. This suggestion was generally approved, and was followed up by the Secretariat, letters being sent to the delegates emphasising the importance of the matter. It is satisfactory to learn that after the conclusion of the Assembly's sessions a considerable number of States have since announced their adhesion to the system. In speaking on this question, Mr. Chu again pressed the view that China had done everything she could do, but his speech produced very little effect; the facts as regards China are gradually becoming known; and, while the Committee respects Mr. Chu's personal energy and sincerity, they clearly do not share his strongly held and strongly expressed view that China has clean hands in the matter; that she is solely sinned against, and in no way sinning.

At the third meeting, Sir A. Steel-Maitland brought forward a resolution (of which he had given notice at the first meeting) inviting the Governments "of those countries into which the import of opium is at present limited not to increase the quantity of those imports until they have ascertained and reported to the League the estimated amounts, respectively, of their legitimate consumption." This was stated to be directed against Hong Kong, and to relate to the request from that Government for an increased supply from India. He stated the case carefully and temperately. There was, of course, no attack, open or covert, on India Mrs. Coombe-Tennant replied in an excellent speech; the facts were clearly stated, and an undertaking was given that the actual consumption in Hong Kong, even with the increased imports, would not be allowed to exceed the consumption of the last few years. Mr. Chu again intervened in the debate; he protested violently against "the poisoning of China" by Indian opium imported into Hong Kong; and made a long and impassioned appeal to allow no increase in the Hong Kong imports. The Indian delegate then pointed out that China's argument was clearly unsustainable, as, on the lowest estimate, China was at present producing 754 times the supplementary quantity asked for by Hong Kong. Mrs. Coombe-Tennant supported this view, and said that the crux of the situation was the smuggling of opium into Hong Kong from China. Mr. Chu, entirely unimpressed, merely reiterated his previous arguments. Eventually, Sir A. Steel-Maitland withdrew his motion, in view of the assurances given by the British representative, and the discussion terminated.

Mr. Chu then brought forward the resolution referred to in para. 61 above, but in view of the criticisms on the resolution in its original form, he had re-cast it entirely. In its new shape it was quite unobjectionable, though of no practical use; and in the circumstances formal support was accorded to the revised resolution, which will be found below. The discussion then terminated, but noteworthy declarations were made by the delegates for Switzerland and Persia. The former anticipated the ratification and effective adoption of the Hague Convention by Switzerland towards the end of this year, and he intimated that his country proposed to bring into effect, at the same time, the import and export certificate system. The Persian delegate informed the Committee that he had telegraphed to his Government, urging them to put the Convention into force, and to withdraw their reservation as regards Article 3 (*a*).

63. The discussion of the report of the Fifth Committee as regards opium [which is given in Appendix II, Annex (xi)] did not long occupy the attention of the Assembly. The debate was opened by Lord Chelmsford, who laid stress on the necessity for international co-operation, for universal acceptance of the Hague Convention, and of the import and export certificate system, and for honest and effective administration, if any real progress was to be made. Despite goodwill, things were not moving as fast or as well as they should, because of delays in ratifying agreements; delays in putting these agreements into force; delays in furnishing the statistical information without which the Opium Advisory Committee could not get to work. The Hague Convention was adequate, so far as could be seen, to cope with all the abuses connected with the traffic, provided it were universally accepted and administered in an honest and sincere way. He appealed to all the delegates to move their Governments to correct and avoid obvious defects in the administrative machinery, which were so hindering the work, and which retarded so seriously the attainment of the end they all had in view. His Highness the Maharajah Jam Saheb of Nawanagar followed, the next day, with a speech which impressed upon the delegates the Indian point of view as regards the use of opium in the East. It was a solace, a sedative, a household remedy; abuse was very rare indeed; and its normal use was in many respects comparable with the use of tea, or wine, or beer in Western countries. These two speeches are given in full in Appendix IV. Mr. Chu and Sir A. Steel-Maitland also spoke, but their remarks call for no comment. The debate ended, somewhat unfortunately, on a strong speech by Colonel Ward. He associated himself entirely with the views of the second Indian delegate; he also felt that there was a danger that the organisation of the League of Nations might be captured, or widely influenced, by societies with extremist views as regards opium; he laid stress on the usual inability of such societies to distinguish between "use" and "abuse"; and he made a strong claim for the adequate safeguarding of the rights of the individual. The speech brought into the field of discussion considerations which are but too often lost sight of; yet the general effect was probably unfortunate, inasmuch as there was no reason for such a warning at this stage and no real necessity for it. The result was that the debate ended on a wrong note.

The following Resolutions were adopted by the Assembly unanimously:—

Assembly Resolution No. 3 (19 Sept.).

"1. The Assembly being convinced that the most practical means of exercising control over the traffic in dangerous drugs is by means of the import and export certificate system, and believing that only international action can make this system a success, urges on all Governments the vital necessity of adopting this import and export certificate system without delay.

"2. The Assembly inclines to the view that the Governments which are Parties to the International Opium Convention should be asked to agree not to issue licences for the import of opium, or the other drugs to which the Convention applies, from any country which has not yet ratified and put into force the Convention, and adopted the system for the control of exports and imports approved by the Second Assembly in para. 1 (3) of the resolution adopted on 30th September 1921, and previously approved by the Council on 28th June 1921. The Assembly considers this question important and urgent, but, recognising the complicated and technical character of the issues involved, it is of opinion that the matter should be examined in detail by the Advisory Committee on Traffic in Opium, before any definite action is taken. It therefore requests the Council to convene a meeting of the Advisory Committee, as soon as

possible, to study the question, and should that Committee report in favour of the proposal, the Council is asked to act at the earliest possible date on the recommendations of the Advisory Committee in the form approved by the Council, and without further reference to the Assembly if the Council considers such reference unnecessary.

"3. The Assembly being of the opinion that the first step necessary in limiting the world's supply of dangerous drugs to legitimate uses is a knowledge of the amount of drugs required by each country for internal consumption, urges the Governments to supply the returns asked for with the least possible delay and with the greatest accuracy in their power. The various Governments should, with a view to allowing comparison to be made, state clearly the system adopted in arriving at the estimate, and should supply a secondary statement showing estimated consumption per 100,000 inhabitants.

"4. The Assembly of the League of Nations again desires to emphasise the view expressed in the report of the Advisory Committee that so long as the drugs to which Part III., particularly Article 9, of the Opium Convention applies are produced in quantities exceeding the legitimate requirements, there is a great danger that the surplus will find its way into illegitimate channels, and that the control of production, so as to limit it to the amount required for medical and legitimate purposes, is the most effective method of putting a stop to the illicit traffic. It recommends that the enquiry now proceeding into the world's legitimate requirements should be pressed forward as rapidly as possible, and expresses the hope that a provisional estimate and scheme will be submitted to the Assembly next year.

"5. The Assembly, convinced of the urgent necessity of securing the fullest possible co-operation in the work of the Advisory Committee on Traffic in Opium and other dangerous drugs, and considering the fact that the United States of America is one of the most important manufacturing and importing countries, recommends to the Council of the League that it should address a pressing invitation to the Government of the United States to nominate a member to serve on the Committee."

Deportation of Women and Children in Turkey and adjacent Countries.

64. Dr. Kennedy, the Chairman of the Commission of Enquiry, who was appointed after the First Assembly to carry out investigations into the alleged cases of deportation of women and children in Turkey and the neighbouring countries during the Great War with a view to their subsequent rescue, introduced his report to the Committee. The Second Assembly had recommended the appointment of a High Commissioner to proceed to the active rescue of women and children, but by the authority of the Council the Commission of Enquiry were charged with the duties which it was intended the High Commissioner should carry out. He, Dr. Kennedy, said that the number of deportations and massacres had not decreased as time went on. He had established an office and a staff, had taken over the neutral house already established at Constantinople, secured the support of the Allied police and other authorities, and had proceeded to the active work of reclamation. Committee V. were of opinion that Dr. Kennedy, in conducting the practical work of reclamation, was inspired with the same motives, and had the same conception of his task, as that of the Assembly itself. The Committee's report to the Assembly drew special attention to the work of Miss Jeppe at Aleppo, who estimated that she would be able to reach 30,000 Armenian women and children and recover them from the houses in which they were detained, but for this purpose it was essential she should have more monetary assistance from the League. The Committee recommended the following Resolutions, which were unanimously adopted by the Assembly:—

"1. The Assembly approves the conclusions of the report presented by Dr. Kennedy, Chairman of the Commission of Enquiry on Deported Women and Children, and is of opinion that the League of Nations should continue its work in this direction. Assembly Resolution No. 27 (28 Sept.).

"2. The Assembly requests the Council to urge the Governments responsible for any territories, either under mandate or under Allied control, where members of the Commission for the reclamation of women and children are working, to instruct their officials in these territories to give strong support and assistance to the Commission and its members.

"3. A further sum of 1,500*l.* shall be allocated to the funds of the Commission, in order that the valuable work at present being undertaken by the Commission in Aleppo may be continued."

Traffic in Women and Children.

65. Mrs. Coombe-Tennant (British Empire) presented to Committee V a report from the Advisory Committee on the Traffic in Women and Children.

The report dealt with the following matters :—The ratifications of the 1904—1921 Agreements and Conventions, the Questionnaire issued in 1921, International Voluntary organisations, the Central Authorities set up in various countries, the method of dealing with information, the employment of women abroad at theatres, music-halls, etc., the International Emigration Commission, juvenile courts, annual reports, the provisional budget for 1923, and the Committee's rules of procedure. It also contained the following resolutions :—

" 1. The Advisory Committee recommends that those members of the Committee whose Governments are not parties to the Convention of 1921 should ask their Governments to take the necessary action without delay. The Advisory Committee further recommends that all Members of the League which have not signed the Convention should be urged to do so as soon as possible.

" 2. The Advisory Committee recommends that, in view of the great interest which both Germany and the United States have shown in the question of the traffic in women and children and of emigration, both these countries should be invited by the Council of the League to appoint members to serve on the Advisory Committee.

" 3. The Advisory Committee expresses the opinion that, in accordance with the conditions originally suggested by the International Bureau, it is desirable that, in the formation of National Committees, each Committee should be as widely representative as possible and should be formed irrespective or creed or political opinion.

" 4. The Advisory Committee recommends that the Council should urge all Governments signatory to the Agreement of 1904 or the Convention of 1921, to appoint a Central Authority under Article 1 of the 1904 Agreement, if they have not already done so. These Central Authorities should be attached to an executive service and it should be their duty to communicate with each other.

" A list of the Authorities should be circulated from time to time to all Members of the League and to all Parties to the Agreement or Convention.

" The Advisory Committee is of opinion that the Secretariat of the League of Nations should, in view of the responsibility placed upon the League by Article 23 (*c*) of the Covenant, keep in close touch with these Authorities.

" 5. The Advisory Committee recommends that, in the case of women and girls seeking theatrical engagements abroad, the competent authorities should be invited to warn them before passports are issued against the risk of accepting such engagements without preliminary enquiry, and should offer to advise them as to the reasonableness of these contracts. Similar steps should be taken by representatives of the Governments abroad when a woman proposes to accept a fresh contract in another foreign country.

" The Voluntary Associations, including professional associations, might, with great advantage, be asked to take part in this work.

" 6. The Advisory Committee recommends that Governments should be asked to consider the desirability of proposing legislation to protect minors who are seeking employment abroad.

" 7. The Advisory Committee recommends that Governments should undertake to ascertain the conditions under which girls are employed to perform in theatres, music-halls, &c., and should exercise supervision as far as possible over such employment in order to secure that no attempt is made by the management of theatres or music-halls to induce the girls to lead immoral lives and that the hours of employment and conditions of the contract are reasonable ; foreign girls should receive the same protection as nationals, and where a foreign girl visits another country to undertake a temporary contract, facilities should be given her to return to her home at the end of the contract.

" 8. Copies of the three preceding resolutions should be forwarded to the International Labour Office.

" 9. The Advisory Committee expresses its complete concurrence in the principle enunciated by the International Emigration Commission in No. 17 of the resolutions in its report, that measures proposed for the protection of emigrants should apply equally, so far as they are appropriate, to women and children as to men.

" 10. The Advisory Committee recognises that a strict supervision of the conditions under which emigrants pass from one country to another is likely to exercise a strong influence in checking the traffic in women and children. It welcomes, therefore, generally the measures which the International Emigration Commission proposes should be taken, especially those contained in Resolutions 4, 6, 10, 12, 13, 16, 22 and 26.

" 11. The Advisory Committee is glad to observe that in Resolution 19 the International Emigration Commission proposes that the question of protecting emigrant women and children should be fully considered by the International Labour Conference. The Advisory

Committee would like to suggest that the following matters, among others, might receive consideration :—

(*a*) The desirability of securing close co-operation between Governments and private shipping companies ;

(*b*) The possibility of safeguarding women engaged for employment in a foreign country against unfair and unreasonable contracts and of providing for their return to their country, if they wish, at the end of a definite period ;

(*c*) In the framing of measures for the protection of immigrant women and children, regard should be paid not only to material conditions, such as are suggested in Resolution 22 of the report of the Emigration Commission, but also to moral considerations.

" 12. As the questions relating to emigration have a close connection with that of the traffic in women and children, the Advisory Committee recommends that its Secretary should be invited to be present at the meeting of the International Labour Conference when these questions are discussed.

" 13. The Advisory Committee adopts the present budget for social questions and the traffic in women and children for the first year, while expressing the wish that expenditure may be reduced, if possible, in the next financial year. "

In Committee V. Lord Chelmsford stated that a resolution in favour of ratification of the 1921 Convention had been passed by both Houses of the Indian Legislature with the proviso that India reserved the right to substitute the age of 16 years for those given in the final Protocol of the 1910 Convention and in Article 5 of the 1921 Convention, *viz.*, 20 and 21 respectively. That reservation had been made by other Eastern countries on account of the much earlier age at which maturity was reached in the East. The Convention had been duly ratified by India, and the Government of India, Lord Chelmsford stated, were taking steps to pass the laws required to give effect to the Convention.

The delegate for New Zealand drew the attention of the Committee to the serious problem which arises from prostitution in seaports. He did not move a resolution, but he expressed the hope that every Government would make careful enquiry into the conditions prevailing at their own ports and that it might be found possible to take some international action at a further session of the Assembly. The Polish delegate brought forward the question of the employment of foreign women as prostitutes in licensed brothels and stated that Poland has decided to abolish licensed houses. After a discussion it was decided that the matter was one which ought to be considered by the Advisory Committee, and the second resolution, given below, was passed unanimously by the Committee. The French delegate stated, however, that there was nothing in French legislation which allowed such a proposal to be put into practice, but he agreed that the question should be referred to the Advisory Committee.

Committee V., in its report to the Assembly, drew attention to (1) the importance of early ratification of the Convention of 1921 by States who had not yet ratified ; (2) the fact that the carrying out of the administrative measures prescribed by the Conventions depend to a large extent on the appointment in each State of Central Authorities ; (3) the scheme for the co-ordination of international work in connection with the traffic, under which scheme the Secretariat of the League will keep closely in touch with the Central Authorities as well as with voluntary organisations ; (4) the question of affording greater protection to women who accept engagements abroad to perform in theatres, music-halls, etc. ; (5) the annual report which Governments will be asked to furnish.

66. The Assembly approved the report of Committee V. and unanimously adopted the following Resolutions, the Spanish delegate abstaining. The Count de Gimeno (Spain) said that public opinion in Spain was divided concerning the system of licensed houses, and he would be obliged to abstain from voting on the resolution, though as a medical man he was in favour of it.

The Assembly decides :—

1. That the report of the Advisory Committee on Traffic in Women and Children (A. 9 (1) 1922) be adopted.

Assembly Resolution No. 19 (25 Sept.).

2. That, in view of the fact that the system of State regulation which exists in certain countries is thought in many quarters to encourage the traffic in women, the Advisory Committee should be asked by the Council to consider whether, pending the abolition of the system, it could be agreed that no foreign woman should be employed or carry on her profession as a prostitute in any licensed houses, and that the recommendations of the Advisory Committee on the subject should be included in its next report to the Council.

The situation to date, as regards the signatures and ratifications of and adhesions to the arrangement of 1914, the Convention of 1910, and the Convention of 1921, is shown in Appendix II., Annex (x). The Convention of 1921 has been signed by 33 and ratified by 10 States. During the discussions in Commiatee the delegates of Greece, Cuba, Japan, Italy, Roumania, China, Portugal, Switzerland, Serb-Croat-Slovene, Sweden and Chile announced that their respective Governments hoped shortly to ratify the Convention of 1921.

Russian Refugees.

67. The question of Russian refugees was placed upon the agenda of the Assembly for the first time since the League of Nations began the consideration of this problem. On the 4th September 1921, Dr. Nansen accepted the post of High Commissioner to co-ordinate the actions of Governments and of private organisations for the relief of the refugees. His first duty was to find a practical solution of the problem; to bring material aid to refugees in distress, and to assure co-ordination of the efforts made by the organisations already working for this purpose. Conferences were convened in August and September 1921, at which resolutions were adopted to serve as guiding principles for his work. Afterwards Dr. Nansen submitted to the Council various reports on the progress of his work—the maintenance of necessitous refugees—an enterprise which the High Commissioner estimated in August 1921 would require, approximately, two hundred million francs; the evacuation of Russian refugees and their distribution in countries which are in a position to offer them the means of living, and steps for the definition and regulation, by means of an agreement between the Governments specially interested, of the legal status of Russian refugees. Dr. Nansen, after negotiations and discussions, proposed a special identity certificate for the refugees, but several Governments raised objections of an administrative and political character which hindered its adoption. During the discussion of the High Commissioner's report in Committee V., several members announced that their respective Governments had given their approval in principle to the identity certificate passport approved by the Council, but other delegates intimated that they were obliged to propose certain modifications. The Committee testified to the success with which Dr. Nansen—when in course of organising the movement of which he had undertaken the direction—had devoted his efforts to alleviating the distress of the refugees of Constantinople, numbering about 25,000. His efforts to secure the admission of Russian refugees into overseas countries had encountered obstacles which were hindering the practical solution to the problem: replies from Governments in most cases were disappointing. Certain members of the Committee reserved their opinions regarding the advisability of repatriation. The following Resolutions were proposed by the Czecho-Slovakia delegate:—

"The Assembly having heard the report of the High Commissioner of the League for Russian Refugees on the work which he has accomplished during the past year, wishes to express its entire approval of the way in which the High Commissioner has discharged the duties laid upon him and to record its high appreciation of the services he has rendered to the refugees and to the League.

"The Assembly further adopts the following Resolutions:—

"1. It invites the Council to request the Governments of the Members of the League to continue to lend to the Delegates of the High Commissioner in their respective territories the support and assistance which they have hitherto given.

"2. It invites the Council to request the Governments of the Members of the League to place, as far as possible, the services of their national labour exchanges at the disposal of the Russian refugees, in order that they may be able to find productive employment and to accord all possible liberty of movement to refugees to travel within their territories in search of work.

"3. It invites the Council to draw the attention of the Governments of the Members of the League to the importance of the system of identity certificates adopted at the Conference on the subject held at Geneva in July 1922, and to request those Governments which have not yet given a favourable reply to consider whether they cannot, without delay, bring his system into force.

"4. It invites the Council to urge the Governments of all the great immigration countries to relax their immigration restrictions in favour of Russian refugees and to come to the rescue of the overcrowded European labour markets by making firm offers of employment in their territories to the Russian refugees."

The Serb-Croat-Slovene delegate moved the following addition :—

"The Committee requests the Council to provide for international co-operation in States where Russian refugees were congregated in order to assist these States in helping sick and invalid refugees or those who are not in a position to find employment on account of old age."

The Australian delegate was not disposed to accept the second and fourth Resolutions proposed by the Committee. Resolution 2 was contrary to existing laws in Australia. Resolution 4 was impracticable, because Australia was too far away from Europe. Australia had already entered into a very heavy financial engagement to take a number of emigrants from Great Britain, about 100,000 people per year. One of the results of that would be to reduce unemployment in Europe. He did not think that the sending of refugees to Australia was a practical scheme at the present time. What they desired was immediate relief. It was not because he did not approve of Resolutions 2 and 4 that he did not assent to them, but because Australia felt it was impracticable to fall into line with them at the present time. After a discussion it was decided that a small Sub-Committee should be appointed to draft fresh proposals for submission to the Committee. It presented the resolutions given below, which were unanimously adopted by the Assembly :—

Assembly Resolution No. 25 (28 Sept.).

"The Assembly, having heard the report of the High Commissioner of the League of Nations for Russian refugees on the work which he has accomplished during the past year, approves this report (A. 84), and wishes to express its entire satisfaction with the way in which the High Commissioner has discharged the duties entrusted to him, and to record its high appreciation of the services he has rendered to the refugees and to the League.

"As the work is not yet finished, the Assembly invites the High Commissioner to continue to apply the same methods of work as hitherto.

"It further decides :

"(1) To invite the Council to request the Governments of the Members of the League to continue to lend to the High Commissioner the support and assistance which they have hitherto given him, especially as regards the development of the means of general and professional education and the securing of employment for the refugees.

"(2) To invite the Council to draw the attention of the Governments of the Members of the League to the importance of the system of identity certificates adopted at the Conference on the subject held at Geneva in July 1922, and to request those Governments which have not yet given a favourable reply to consider whether they cannot, without delay, bring this system into force.

"(3) To request the Council to provide by international co-operation for the maintenance of the Russian refugees who are incapable of providing for there own livelihood in the States where they are congregated."

68. M. Ador (Switzerland), when presenting the report of the 5th Committee to the Assembly, drew particular attention to the question of repatriation. Several members of Committee V. had thought fit to make reserves regarding the desirability of repatriating the refugees. His observations, therefore, were only the expression of his personal opinion. In his report the High Commissioner had stated that he hoped to conclude an agreement upon the basis of the amnesty which had been published by the Soviet Government. M. Ador urged the need for an agreement which would contain every possible guarantee for the safety of these refugees. No refugee should be compelled to return to his country against his will, and all those who were repatriated must be guaranteed full liberty, assured of their personal safety, and allowed to carry on their occupations in Russia without any hindrance or ill-treatment. The League of Nations should act with the greatest prudence in any agreement which might be made with the Soviet Government, and which should be submitted to the League for approval. Representing the Comité Internationale de la Croix Rouge, he felt it his duty to draw the attention of the League, and

of the High Commissioner, to the necessary conditions of an agreement with the Soviet Government. Dr. Nansen replied to these remarks. He did not think that protests (which, he said, were influenced by political considerations) such as he had received from certain Russian groups when in the previous year it was proposed to relieve the starving population of Russia, should be allowed to impede the work of relief. It was not proposed to send these refugees back to Russia without guarantees. No one would be obliged to return to Russia against his will.

Obscene Publications.

69. At the instance of the British Government, the question of obscene publications was placed on the agenda of the Assembly, and was referred to Committee V. The French Government summoned in 1910 an International Conference on the question, from which resulted an administrative Agreement and a draft legislative Convention. This Agreement, which was signed by 15 States and subsequently ratified by 14, had been of the greatest value in starting the campaign against the evils of the traffic, but unfortunately the Convention which was intended to complete it never got beyond the draft stage. Mrs. Coombe-Tennant, the British Empire delegate, stated the reasons which led the British Government to introduce the matter. The Agreement of 1910, whilst providing valuable machinery, was not by itself an adequate instrument for the suppression of the trade. The laws of many States were insufficient for the purpose, and uniform legislative measures were required to give the necessary sanctions for this class of offence. For this purpose a new Convention was needed dealing with legislative measures. The Greek delegate explained in detail why the Arrangement of 1910 should be accepted. Its provisions, being administrative in nature, could be carried out without affecting in any way the internal legislation of the different States, while on the other hand the draft Convention involved changes in legislation and certain modifications appear to be called for. The delegate of Greece made this statement in the form of resolutions, but accepted the suggestion that the substance of his proposals should be incorporated in the Committee's report. The first proposal made was that the draft Convention should be considered by a small expert Commission to be appointed by the Council; but in view of the criticisms made by the French and the Serb-Croat-Slovene delegates it was decided that the best plan would be to have a general International Conference, consisting of delegates with full powers. The Committee came to the conclusion that the French Government should be invited to summon a Conference at Geneva under the auspices of the League of Nations on the understanding " that the competence of the League to summon a conference for the consideration and preparation of a Convention, and to open a protocol for the signature of any such Convention by delegates duly authorised by their Governments is not in question, and that the action taken to-day is not to be regarded as a precedent." Certain apprehensions that legislation in this matter might interfere with the liberty of art and literature were expressed in Committee, but were not pressed, more especially as it was pointed out that these dangers had been fully discussed and their remoteness exposed in the deliberations of the Conference of 1910.

The trade which the Committee had in mind is a specific one, concerned with the production and distribution of articles intended merely to gratify the passions of depraved persons or to spread corruption among others, especially the young of both sexes.

Some discussion also took place on the possibility of arriving at an international definition of the word "obscene." It seemed best to the Committee to leave this question to the consideration of the proposed Conference. The Committee finally came to a unanimous agreement on the following resolutions, which it presented to the Assembly, by whom they were unanimously adopted :—

The Assembly decides :

Assembly Resolution No. 25 (28 Sep.)

(1) To ask the Council of the League, in accordance with Article 24 of the Covenant, to authorise the Secretariat to assist Members of the League and any other States which are

parties to the international movement for the suppression of obscene publications, in all measures which may be necessary for this purpose.

(2) To ask the Council to draw the attention of all States to the International Agreement of 1910: those States which have signed or acceded to it should be asked to give full effect to its provisions, and those States which are not yet parties to it should be urged to accede to it at an early date.

(3) To invite the Council to communicate the draft Convention of 1910* with a questionnaire to every State with the request that it should forward its comments thereon to the Secretariat of the League of Nations. The Secretariat will co-ordinate the replies received and submit them as a whole to the French Government, requesting it, on behalf of the Council, in view of the initiative taken by that Government in 1910, to convene a new conference under the auspices of the League, to be held at Geneva about the time of the Fourth Assembly, and to be composed of plenipotentiaries empowered to draw up the text of a new convention and to sign such a convention.

Greek and Armenian Refugees from Asia Minor.

70. On the 18th September the President of the Assembly read a communication, reproduced in paragraph 80, which he had received from Dr. Nansen. The first portion of the letter, dealing with the humanitarian side of the question, was referred to Committee V., to whom Dr. Nansen explained the conditions on which the work could be undertaken, but said it was mainly a question of finance. The Secretary-General replied that it would be easier to deal with the question if Dr. Nansen could give a rough estimate of the sum he required. He understood that the only expenses which he proposed should fall on the League would be those of administration. 100,000 gold francs might be taken for immediate purposes from the 500,000 gold francs (item "Unforeseen Expenditure") and he hoped that the Council would give a favourable reply. When that sum was exhausted the administrative expenses would have to be covered by other means. The Persian and other delegates supported Dr. Nansen. Various alternative proposals were suggested, but after discussion it was unanimously decided that they might be combined into a single resolution as follows:—

Assembly Resolution No. 4 (19 Sept.).

The Assembly, having heard Dr. Nansen's statement regarding the critical situation of more than 200,000 refugees from Asia Minor, and his offer of the services of his Russian refugee organisation for administration of any funds contributed for the benefit of the refugees;

And, considering that this is a work which demands immediate action by the League:

Recommends that the High Commissioner of the League be authorised to utilise the services of the Russian refugee organisation to assist in the relief of refugees from the Near East and for the administration of the money collected for this purpose, it being understood that the League undertakes no responsibility for these refugees, that the work for Russian refugees shall continue without hindrance, and that this additional activity be considered as of a temporary nature;

And, recognising the urgency of providing an adequate administrative organisation for these refugees:

Invites the Council to consider whether it cannot place at the disposal of Dr. Nansen, from the item "Unforeseen expenditure," a sum sufficient to enable the necessary administrative measures to be taken for a period which will allow for adequate arrangements to be made from other sources.

This resolution was unanimously adopted by the Assembly, after Dr. Nansen had explained that if the Council granted the credits required, they would suffice to cover the costs of administration, and it would afterwards be necessary to collect considerable sums. For this purpose he addressed an appeal to all the nations of the world on behalf of the 200,000 victims in need of assistance. On the 25th September Lord Balfour said that he desired to bring before the Assembly a question of humanitarian interest. The British Government had been informed that there was real danger of some great calamity happening to the large number of refugees, Armenians and Greeks, then without shelter and without food in Smyrna. The British Government was prepared to give a sum of 50,000*l.* provided the other Governments would together provide an additional amount of 50,000*l.*

* The draft Convention of 1910 is given in Annex (xii) of Appendix II (page 111).

The Assembly adopted the following Resolution :—

Assembly Resolution No. 20 (25 Sept.).

"The Assembly, having heard the statement of Lord Balfour, and recognising the extreme urgency of bringing effective aid to the refugees in the Near East, for which purpose financial assistance from the various Governments would be of the greatest value, decides that its Members will at once place the situation before their respective Governments recommending an immediate and adequate financial contribution to Dr. Nansen's organisation."

The New Zealand delegate announced that his Government would subscribe 1,000*l.* Other contributions were promised during the subsequent meetings of the Assembly, *viz.*, Greece, a million drachmae (about 5,000*l.*) ; Spain 2,000*l*; Sweden, 1,000l.; Norway, 1,000*l.*: Canada, 5,000*l.*; Denmark, 1,000*l.*; Luxemburg, amount not stated.

Repatriation of Prisoners of War.

71. On the 19th September the Assembly decided to place on its agenda the report of Dr. Nansen on the conclusion of the work of the repatriation of prisoners of war, which report was submitted to the Fifth Committee. Dr. Nansen had stated to the Committee that 166,579 prisoners of war had been repatriated from Russia to Europe, and 254,456 from Europe to Russia. This had involved no expenditure on the part of the League, the funds (400,000*l.*) having been provided by the Comité Internationale de Secours in Paris, various Governments, and from other sources. The report of the Fifth Committee was adopted by the Assembly, which passed the following Resolution :—

Assembly Resolution No. 11 (22 Sept.).

"The Assembly adopts the report (A.-32 (1), 1922) of Dr. Nansen, High Commissioner of the League of Nations for the repatriation of prisoners of war, and desires to state that in the accomplishment of his mission, Dr. Nansen has indeed deserved well of humanity."

Work of Committee VI.—Political Questions.

Admission of Hungary.

72. This question was referred to a Sub-Committee consisting of M. Loudon (Netherlands) (Chairman), M. Benes (Czecho-Slovakia), Mr. Fisher (British Empire), M. Fortoul (Venezuela), M. Hanotoux (France), the Marquis Imperiali (Italy), and M. Motta (Switzerland). The Sub-Committee came to a unanimous decision in favour of the admission of Hungary after hearing a statement by Count Banffy, in which he solemnly declared Hungary's willingness to fulfil all her international treaties and engagements. The Czecho-Slovakian delegate pointed out in Committee VI. that he had received a message from the Hungarian Section of the Reparations Committee stating that Hungary had not fulfilled all her obligations, but that in view of the solemn declaration by Count Banffy he would not oppose Hungary's admission. The question came before the Assembly on the 18th September. The Czecho-Slovakian delegate made a speech pointing out several instances in which Hungary had not yet completely fulfilled her obligations under the Treaty of Trianon. He stated that, nevertheless, in view of Count Banffy's undertaking, he was empowered to declare on behalf of the Roumanian, Serb-Croat-Slovene, and Czecho-Slovakia delegations that they would not oppose Hungary's admission to the League. The admission of Hungary was unanimously approved by the Assembly and the Hungarian representatives accordingly took their seats.

Protection of Minorities.

73. In the general debate on the Report of the work of the Council both Professor Gilbert Murray (South Africa) and Dr. Walters (Latvia) had proposed, with reference to sections (*a*), (*b*), (*c*), (*d*) of chapter 9 of the Report, that the question of the protection of minorities, with special reference to those having treaty rights (*e.g.*, in Poland, Roumania, Czecho-Slovakia and the Serb-Croat-Slovene State) should be considered by a Committee of the Assembly

The Assembly agreed to refer this subject to the Sixth Committee. Professor Gilbert Murray opened by proposing the following resolutions :—

"1. Although in the event of serious breaches of the treaties it may be necessary for the Council to preserve its full right of direct action, the Committee recognises that in ordinary cases the best way for the League to encourage good relations between the different Governments which have signed minorities treaties and the minorities placed under their sovereignty, is to have informal and friendly communications with thes Governments. For this purpose the Committee suggests that the membership of the Council may need to be reinforced.

"2. In the event of disputes concerning the interpretation of treaties or their application to particular cases, or concerning any point of fact on which their application depends, the Committee recommends that an appeal be made without delay to the decision of the International Court.

"3. In certain localities where the population is mixed, the Committee considers that the protection of minorities can only be realised in an effective manner by the appointment of a permanent representative of the League to give an impartial account of the conduct of both or of all the parties of the population concerned.

"4. The Committee, recognising the fundamental right of minorities to be protected by the League against all oppression, emphasises the duty laid upon persons belonging to minorities to co-operate as loyal citizens with the nations to which they now belong.

"5. The Committee expresses the hope that the States which are not bound before the League of Nations by any legal obligations towards minorities should nevertheless observe, in the treatment of their minorities, at least the same degree of justice and toleration required by the treaties."

Dr. Walters' somewhat wider suggestion for a full Commission of Enquiry into the subject with a view to drawing up a general convention regarding minority rights was dropped.

74. Professor Murray's resolutions did not by any means meet with universal approval, though supported by Lord R. Cecil and Dr. Nansen, and in particular Resolution 3 was subject to attack. Several nations, led by Esthonia, protested that there was no reason for having representatives of the League established in their country. Esthonia had already passed municipal laws giving full effect to the stipulations contained in the treaties regarding the rights and protection of minorities. The Italian representative stated that the proposal in Resolution 3 looked like a development of the theory of a super-State, and enquired in which States it was proposed to establish agents. The French and British representatives adopted an attitude of some reserve. It was explained by Lord Robert Cecil that one of the main points of this proposal was to facilitate the establishment of an agent of the League in Asia Minor, to watch the position of Armenia and other Christian minorities, in the event of a treaty being concluded with the Turks. Considerable discussion ensued as to whether the paragraph should be made applicable only in the case of new treaties which might be concluded. Protests were made by the French and Italian representatives on it being pointed out by Lord Robert Cecil that, though the framers of the resolution might have had in mind the case of Turkey primarily, under the resolution the League might appoint agents in any country of the world. At an earlier point in the discussion the offensive term "permanent" had been eliminated and "resident" substituted and words inserted to show that agents were only to be sent with the consent of the Governments concerned. The result of the discussion was that Resolutions Nos. 1, 4 and 5 were adopted, with a slight addition to the 5th proposed by the French delegate, and after further consideration by a Sub-Committee Articles 2 and 3 were re-drafted, and the third resolution suppressed, the following being inserted in the Committee's report:—

"Professor Murray further pointed out that, in certain cases of mixed population, where conflicts were frequent and serious, order had frequently been maintained and tranquillity restored by the mere presence of consuls or other representatives of foreign Governments, who could impartially report on events and bring to bear the influence of a wider public opinion.

"He observed that cases might arise in which the presence of resident representatives of the League might have an even more beneficent effect in view of the disinterestedness and the moral prestige possessed by the League, and suggested that the Council might well consider the desirability in suitable cases of employing such representatives, with the consent of the

Government concerned, to allay public excitement and gradually to restore tranquillity in disturbed districts.

"The Commission feels the force of these observations and wishes to place them on record, but, considering the variety of possible contingencies which may have to be met, and the wide discretion in the hands of the Council for meeting them, thinks best not to embody the proposals in a definite resolution."

In connection therewith the British delegate declared that the withdrawal of this resolution did not imply that the British Government would relax its efforts in its desire and determination to protect minorities in Asia Minor.

75. When the question of minorities came before the Assembly His Highness the Jam Saheb of Nawanagar took the opportunity to address an appeal to the representatives of South Africa to press the Government of South Africa to redress the long-standing grievances of the Indian minority in South Africa. His speech will be found in Appendix IV.

The Assembly unanimously adopted the following Resolutions proposed by the Committee :—

Assembly Resolution No. 7 (21 Sept.).

"1. While in cases of grave infraction of the Minorities Treaties it is necessary that the Council should retain its full power of direct action, the Assembly recognises that in ordinary circumstances the League can best promote good relations between the various signatory Governments and persons belonging to racial, religious or linguistic minorities placed under their sovereignty by benevolent and informal communications with those Governments. For this purpose, the Assembly suggests that the Council might require to have a larger secretarial staff at its disposal.

"2. In case of difference of opinion as to questions of law or fact arising out of the provisions of the Minorities Treaties, between the Government concerned and one of the States Members of the Council of the League of Nations, the Assembly recommends that the Members of the Council appeal without unnecessary delay to the Permanent Court of International Justice, for a decision in accordance with the Minorities Treaties, it being understood that the other methods of conciliation provided for by the Covenant may always be employed.

"3. While the Assembly recognises the primary rights of the minorities to be protected by the League from oppression, it also emphasises the duty incumbent upon persons belonging to racial, religious or linguistic minorities to co-operate as loyal fellow-citizens with the nations to which they now belong.

"4. The Assembly expresses the hope that the States which are not bound by any legal obligations to the League with respect to minorities will nevertheless observe in the treatment of their own racial, religious or linguistic minorities at least as high a standard of justice and toleration as is required by any of the Treaties and by the regular action of the Council.

"5. The Secretariat, which has the duty to collect information concerning the manner in which the Minorities Treaties are carried out, should not only assist the Council in the study of complaints concerning infractions to these Treaties, but should also assist the Council in ascertaining in what manner the persons belonging to racial, linguistic or religious minorities fulfil their duties towards their States. The information thus collected might be placed at the disposal of the States Members of the League of Nations if they so desire."

Mandates.

76. The examination of the report of the Permanent Commission on Mandates, which had been referred by the Assembly to the Sixth Committee, was conducted in a Sub-Committee, consisting of M. Dantes Bellegarde (Haiti), Sir Francis Bell (New Zealand), Lord Robert Cecil (South Africa), M. Gabriel Hanotaux (France), Sir Cecil Hurst (British Empire), M. Paul Hymans (Belgium), the Marquis Imperiali (Italy), Viscount Ishii (Japan), Dr. Nansen (Norway) and Mr. Justice Rich (Australia). The appointment of this Committee led to an interesting proposal by the Persian delegate, which was accepted by the Committee, that the members of any Sub-Committee should be elected by a secret ballot, instead of by open approval of a list of names proposed by the Chairman. This proposal was never transmitted to the Assembly, and presumably had no binding force, except as regards the proceedings of the Sixth Committee during the session of the Third Assembly.

77. Discussion in the Sub-Committee on the report of the Permanent Mandates Commission and its connected documents (which are not reproduced

in this Report) evoked few points of general interest, attention being mainly given to certain points of detail, such as the exact constitutional position of the mandatory administration of the island of Nauru, the conditions under which certain phosphate rights in that island had been acquired by the Governments of Australia and New Zealand, and regarding the conditions of the sale of land in that island. Perhaps the most important point of general interest was that raised by M. Bellegarde (Haiti), who desired that some procedure should be prescribed by which the inhabitants of mandated territories could present petitions to the League. It was discovered, however, that this question was already under consideration by the Council, and consequently the proposals on the subject formulated by the Committee were of a somewhat indefinite nature (*see* No. III. of Resolutions below which were finally passed). M. Bellegarde had in the Assembly drawn attention to the circumstances attending the suppression of the Bondelzwart rebellion in 1922. The Sub-Committee contented itself with expressing satisfaction with a statement made by Sir Edgar Walton that a full impartial enquiry should be held, and with recommending that every effort should be made to relieve the survivors.

There was practically no discussion in the Committee on the report presented by the Sub-Committee.

78. When the question of mandates came up in the Assembly, Sir Francis Bell (New Zealand), made a speech in which he urged that the report of the Permanent Mandates Commission should be a confidential report to the Council, and not to the public, in which the Commission might give to the Council full advice as to the action taken by the Mandatory Powers and as to the best course to be followed by the League, and that the Council should then make a further report to the Assembly. He contended that it was impossible under the present system, by which the report of the Permanent Mandates Commission was made public, for that report to contain, if it was to avoid giving offence to the Mandatory Governments, the unrestrained advice which was so necessary. Sir Francis Bell also complained of the procedure by which the report of the Permanent Mandates Commission was dealt with by a sub-committee of a Committee of the Assembly, at which delegates of the Mandatory Powers were given a right of audience. He claimed that, if there was to be criticism or adverse comment on the administration of the Mandatory Powers, no weight could be given to such criticism unless it had been confirmed by the Assembly after free discussion in which the delegates of the Mandatory Powers had taken part.

Sir Sivaswamy Aiyer delivered a speech on the subject of mandates, drawing attention to various points of importance, and in particular inviting attention to the danger which there seemed to be that the South African Government should regard the mandated territory of South-West Africa as practically part of the South African Union. This speech, which is given in full in Appendix IV, attracted considerable attention on the part of the various Dominion delegates, Sir Edgar Walton (South Africa) apparently somewhat resenting criticism on this point from the Indian delegation, in view of the fact that there are no Indians in that mandated territory. Sir Edgar also replied to some comments that had arisen owing to the fact that no South African representative had appeared before the Permanent Mandates Commission, explaining that the only person who could have given them real assistance was the Administrator of the South-West Territory, who had at the time been conducting active operations.

M. Bellegarde (Haiti) pressed his point that there should be some procedure for assuring that petitions from the inhabitants of the mandated territories should not be suppressed, and Lord Robert Cecil threw out a suggestion that, while the proper channel should, as proposed, be through the Mandatory Government, a copy should simultaneously be forwarded to the League, on which the League would not normally take action until it had received the comments of the Mandatory Government.

The resolutions finally passed by the Assembly were as follows :—

Assembly Resolution No. 5 (20 Sept.).

" I. The Assembly wishes to express its keen satisfaction that the terms of the mandates which had not been promulgated in 1921 have now been defined; that reports on the administration of mandated territories have been presented to the Permanent Mandates Commission and examined in the presence of duly accredited representatives of the Mandatory Powers; and that the mandates system has thereby been brought fully into force.

" The Assembly wishes, in particular, to express its deep gratitude to the Permanent Mandates Commission for the great care and impartiality which it has devoted to the accomplishment of its important and delicate task.

" II. The Assembly, highly appreciating the action taken by the Government of South Africa in communicating, in its capacity of Mandatory Power for South-West Africa, the report of the Bondelzwart Rebellion, 1922; moved by feelings of great anxiety for the welfare and the relief of the survivors, resolves to express :—

" (*a*) Its profound satisfaction with the official statement made by Sir Edgar Walton, delegate for South Africa, that a full and impartial enquiry will be made into all the facts of the Bondelzwart Rebellion and its repression;

" (*b*) The confident hope that the Permanent Mandates Commission, at its next session, will consider this question and be able to report that satisfactory conditions have been established, and that in the meanwhile, the Mandatory Power will make every effort to relieve the suffering of the victims, particularly the women and children, and that it will ensure protection and restitution of the remaining livestock, and, in general, the restoration of the economic life in the Bondelzwart district.

" III. The Assembly, having considered the matter of the right of petition alluded to in the report of the Permanent Mandates Commission, expresses the hope that this right may be defined in such a manner as to ensure that—

" (*a*) All petitions emanating from inhabitants of mandated areas will be sent to the Permanent Mandates Commission through the intermediary of the local administration and of the Mandatory Power;

" (*b*) No petition concerning the welfare of the inhabitants of mandated areas emanating from other sources will be considered by the Permanent Mandates Commission before the Mandatory Power has had full opportunity of expressing its views."

Slavery in Africa.

79. Sir Arthur Steel-Maitland (New Zealand) had in the course of the general debate in the Assembly on the Report of the Council, asked that investigation might be made into the question of slavery in Africa. This point was referred to the Sixth Committee and by it to the same Sub-Committee as was concerned with mandates. Sir Arthur explained that there was reason to believe that there was a recrudescence of slavery in Abyssinia. In view of the absence of precise information and of the difficulty caused by the fact that Abyssinia was not a Member of the League, it was considered that it was not possible to proceed further with the investigation of the subject. The Committee contented itself with proposing the following recommendation, which was adopted by the Assembly without discussion :—

Assembly Resolution No. 6 (21 Sept.).

" The Assembly decides that the question of slavery shall be included in the agenda of the Fourth Assembly, and requests the Council to represent to the Fourth Assembly a report on the information which it shall have received on the matter."

Near East.

80. On the 18th September the President read to the Assembly the following communication which he had received from Dr. Nansen :—

" I have received from my Assistant High Commissioner for Russian Refugees in Constantinople an urgent telegram requesting permission to utilise the organisation of the High Commissariat in that city for administering relief to the many thousands of Greek and Armenian refugees who have arrived there from Smyrna and Broussa.

" As this request raises a question of principle of some importance, I venture to ask for your permission to lay the telegram before the Assembly at its next plenary meeting, and to suggest to the Assembly on what conditions I believe it might be complied with.

" In this connection may I avail myself of this same opportunity to request permission to lay another matter before the Assembly?

"I would ask the Assembly whether the League ought not now, according to Article 11 of the Covenant, to 'take any action that may be deemed wise and effectual to safeguard the peace of Nations' in the conflict which has caused the grave situation mentioned.

"I would therefore ask permission to move a resolution, if it should seem right to do so, requesting the Council to consider without delay what steps it can take, whether by the offer of its good offices to the belligerent parties or otherwise, with a view to the immediate cessation of hostilities."

As already stated (*see* para. 70), the question of relief for the refugees was referred to the Fifth Committee. The Assembly referred to the Sixth Committee the consideration of the final paragraph of Dr. Nansen's letter. In that Committee Dr. Nansen proposed a Resolution to this effect :—

"The Assembly resolves to request the Council to consider what steps it would take on behalf of the League, whether by offering its good offices to the belligerent parties or otherwise, to secure the immediate cessation of hostilities in the Near East."

An interesting discussion ensued. Dr. Nansen, in proposing his resolution, pointed out that it was the duty of the League to take action in accordance with Articles 3 and 11 of the Covenant, suggesting that the Council might invite the parties concerned to a conference to be held under the auspices of the League, and that it was essential for this purpose that the Government of Angora should be treated as on a footing of complete equality with the other parties, and that they should be invited, under the provisions of Article 17 of the Covenant, to accept the rights and duties of membership of the League for the purpose of settlement of the dispute. Dr. Nansen was warmly supported by Sir Joseph Cook (Australia). The Persian delegate also said that he lent his support to the motion, in spite of the difficulty which arose from the fact that the League had not intervened before when the Greeks were victorious, and that consequently the Turks would naturally view with suspicion attempts at intervention at the present moment. Mr. Fisher expressed his gratitude to Dr. Nansen for raising the question and proposed for consideration a resolution in the following terms which had the support of both the French and Italian representatives :—

"The Assembly views with dismay the possibility of prolongation of the war in the Near East. It notes with satisfaction the announcement of a conference at which the interested Powers will be represented, and it trusts that the Council will be prepared, as the occasion demands, to render any assistance which may be invited by the negotiating Powers towards the attainment of a prompt and durable peace."

Lord Robert Cecil strongly supported Dr. Nansen's original motion, and emphasised the difficulties already pointed out by the Persian delegate, and expressed the view that if there was to be any chance of the Turks accepting intervention by the League it was most important that it should not appear that the League was not acting on its own, but was only being called in at the request of one side of the interested parties. He desired, therefore, that any resolution that should be passed should make it plain that Turkey was to be admitted to the proceedings on a footing of equality ; and that the reference to an invitation to the League by the negotiating Powers should be omitted. The Bulgarian delegate stated that his Government would be glad to see the sphere of the League of Nations enlarged, and that they hoped for the restoration of peace—if necessary with the assistance of the Council of the League, whose intervention could not cause anxiety to anyone. The French and Italian representatives were unable to agree to the proposals of Dr. Nansen and Lord Robert Cecil. Finally, a Drafting Committee was appointed with a view to finding a text which would be acceptable to all parties. The following resolution was eventually adopted unanimously by the Committee and without further debate by the Assembly :—

"The Assembly, animated by a sincere desire to see peace re-established in the Near East, and to support any action which may be taken to achieve that object, learns with satisfaction that it is proposed to hold a special conference to consider the present situation, with a view to finding a solution. The Assembly trusts that the Council, without interfering in any way with the proposed negotiations, will adopt such measures as it may deem timely and warrantable by the stage reached in the negotiations, in order to give effect to the unanimous wish of the Assembly for an early restoration of the peace." Assembly Resolution No. 22 (27 Sept.).

81. The Persian delegate had proposed in the Assembly that the Council of the League should send a neutral Commission of Enquiry to examine the charges of atrocities alleged to have been committed during the present war in the Near East, with a view to throwing light on the occurrences and to avoid reprisals against the ethnical and religious minorities of Thrace and of Asia Minor. The Greek delegate pointed out that it was only due to the attitude of the Angora Government that an enquiry had not previously taken place, and stated that they were unable to permit any measures as regards protection of minorities in Thrace other than those laid down generally for the protection of minorities. Before the proposal of the Persian Delegation could be considered in Committee it was withdrawn by them, as they expressed themselves satisfied at the investigations which they understood were being made by the International Red Cross Society.

82. Certain other political questions were referred to the Sixth Committee As the discussions on these questions, both in the Committee and in the Assembly, were either very brief or of no special interest it will suffice to give the text of the resolution finally adopted by the Assembly on each question :—

REQUEST OF THE LITHUANIAN GOVERNMENT TO INCLUDE A NEW QUESTION IN THE AGENDA OF THE ASSEMBLY.

Assembly Resolution No. 2 (15 Sept.).

The Third Assembly, being requested by the Lithuanian Government to include on its agenda a new question drafted as follows :—

"Protest against arbitrary actions of the Polish Government in connection with the territory of Vilna subsequent to the Council's recommendation of 13th January 1922 ;"

In view of the letter of the Polish Government raising the previous question ;

In view of the reply of the Lithuanian Government, dated 6th September 1922 ;

Approves the report presented on behalf of the special Committee by M. Hymans, the delegate of Belgium ;

Decides, in consequence, that the previous question should be adopted as regards the Lithuanian complaint brought against the statute of Vilna, and the elections which the Polish Government proposed to hold in that district ;

Maintains on the agenda the new question so far as it concerns abusive treatment alleged to have been inflicted upon the Lithuanian population in the Vilna district ;

And, as it is not desirable that the discussion of the Lithuanian allegations should be raised at the Assembly before the competent Committee has had an opportunity of investigating them, refers the question, thus clearly defined, directly and without discussion, to the Sixth Committee of the Assembly, which is responsible for the investigation of political questions.

COMPLAINTS BY THE LITHUANIAN GOVERNMENT RELATIVE TO THE TREATMENT OF THE NON-POLISH POPULATION IN THE TERRITORY OF VILNA.

Assembly Resolution No. 8 (21 Sept.).

"The Assembly of the League of Nations, with reference to its resolution of 15th September 1922 (No. 2 above), having heard the complaints of the Lithuanian Government relative to the treatment of the non-Polish population in the Vilna district, and having also heard the replies of the Polish delegate to these accusations ; considering that the questions thus raised are among those with which the Council by its resolution of 13th January 1922—after having drawn up its final recommendation for the settlement of the Polish-Lithuanian dispute—reserved to itself the right to deal, if necessary, by requesting the two Governments to allow it to send representatives to the spot for the purpose of making a report ; considering that the Council has already made use of the powers which it thus reserved to itself and that its intervention in this matter is in conformity with its general activities in regard to the protection of minorities, refers to the Council for its special consideration the question which has been submitted to the Assembly by the Lithuanian Government."

ARMENIA.

Assembly Resolution No. 12 (22 Sept.).

"The Assembly notes with gratitude the action taken by the Council with respect to Armenia, and recommends that, in the negotiations for a peace with Turkey, the necessity for providing a national home for the Armenians should not be overlooked, and requests the Council to take all steps which it may think useful to secure this result."

Georgia.

"The Assembly of the League of Nations, having considered the position of Georgia, invites the Council to follow attentively the course of events in this part of the world, so that it may be able to seize any opportunity which may occur to help in the restoration of this country to normal conditions by any peaceful means in accordance with the rules of international law." Assembly Resolutions No. 13 (22 Sept.).

Status of Eastern Galicia.

"The Assembly of the League of Nations renews its wish, expressed in the resolution adopted by the Second Assembly on 27th September 1921, that the Council of the League draw the attention of the Principal Allied and Associated Powers to the desirability of determining at an early date the status of Eastern Galicia." Assembly Resolutions No. 14 (22 Sept.).

The above concludes the account of questions dealt with by Committees of the Assembly.

Election of Non-Permanent Members of the Council.

83. On the 30th September the elections were held for the six non-permanent members of the Council, under the rules already adopted by the Assembly. All these seats were filled as the result of the first ballot; the total number voting was 46, an absolute majority being accordingly 24. The six States elected were :—

Brazil, 42.	Uruguay, 40.	Sweden 35.
Spain, 40.	Belgium, 36.	China, 27.

Uruguay and Sweden obtain seats for the first time

Austria.

84. At the final sitting of the Assembly on the afternoon of 30th September, Lord Balfour made a statement in very general terms as to the progress made by the Council in dealing with the question of rehabilitating the finances of Austria, which had been under their consideration continuously throughout the period of the Assembly meetings. He was unable to announce to the Assembly, before it broke up final agreement as to the measures to be taken as had originally been anticipated, but indicated that it was hoped that a settlement might be reached in a few days, and he made it clear, on being questioned by Lord R. Cecil, that in any event the Council proposed eventually to make public all the documents and proposals relative to this question.

The Assembly proceedings concluded with a speech from the President.

Concluding Observations.

85. The general impression left by a survey of the work of the Third Assembly is that the League is nearing the conclusion of the initial stage in which Assemblies have necessarily been very largely concerned with questions of the internal organisation and administration of the League and its dependent or associated bodies, and that it is gradually attaining greater freedom and strength to deal with the political problems and questions of international organisation for which it was created. It must, of course, continue to remain true that practical problems of the highest importance can only be dealt with by the Council, and that the Assembly must necessarily be content, in the main, to approve or suggest certain lines of policy and to indicate promising spheres of action.

The future strength and prestige of the League cannot, of course, but be largely affected by the success or failure of the Council's efforts to solve the problem of helping Austria to attain financial and commercial stability.

The resolutions adopted by the Third Assembly on the subject of the Treaty of Mutual Guarantee and the possibility of reference to the League at some future date of the problem of reparations and inter-allied debts, tentative

and general though they may be, mark a more important step in the history of the Assemblies of the League than has yet been seen.

86. The utility of the work done by the Assembly will depend, in the last resort, very largely on the representative character of the delegates. No progress can be made if Governments are unwilling to give effect to, or pay serious heed to, resolutions passed by the Assembly with the approval of their delegates. In the case of some States the tendency to disregard the resolutions of the League is only too marked. It is of the utmost importance for the future of the League that all States should send delegates who are fully qualified to represent the views of their Government and to whose advice the Government are likely to pay attention.

87. No decision taken by the Third Assembly was of very immediate or vital interest to India. As regards the opium question India was on this occasion free from ill-informed attack and can apparently now enjoy the position which she deserves as a loyal and scrupulous observer, in the letter and the spirit, of the provisions of the Hague Convention. The sphere of controversy regarding India's share in the burden of expenditure of the League was happily restricted within the domestic limits of the British Empire.

But though the League's activities seem in general to concern India only indirectly at the present time, we were deeply impressed with the advantages to be gained by the continued and adequate representation of India among the Delegations of the Assembly of the League, by participation in their deliberations, and by the opportunity for personal contact with representa ives of the countries of the world among which India is entitled to occupy so important a position.

88 We desire to express our indebtedness to Mr. J. Campbell, I.C.S., Representative of India on the Opium Advisory Committee, for the valuable services which he rendered to the Delegation in all the spheres of our activity.

(Signed) CHELMSFORD.

RANJIT SINHJI OF NAWANAGAR.

P. S SIVASWAMY AIYER.

LONDON,
24th January 1923.

APPENDIX I.

List of States represented and their Delegates. (Many Delegations were also accompanied by Substitute Delegates other than those mentioned in this List, and numerous Expert Advisers.

ALBANIA.—M. Mehdi Frasheri (former Minister of Public Works, Member of Parliament). Dr. Benoit Blinishti (Director of the Permanent Secretariat accredited to the League of Nations).

ARGENTINE.—Not represented.

AUSTRALIA.—Sir Joseph Cook (High Commissioner in London). Sir Mark Sheldon, Kt. The Hon. G. E. Rich (Justice of the High Court of Australia).

Substitute.—Mrs. Margaret Dale.

Substitute and Legal Expert.—M. Harold Leslie Boyce, B.A., B.L.

AUSTRIA.—His Excellency M. Albert Mensdorff-Pouilly-Dietrichstein (former Ambassador). His Excellency M. Emeric Pflügl (Resident Minister). His Excellency Dr. Alfred Grünberger (Minister for Foreign Affairs).

BELGIUM.—His Excellency M. Paul Hymans (Minister of State). His Excellency M. Prosper Poullet (Member and former President of the House of Representatives). M. Louis de Brouckère.

Substitute.—M. Henri Rolin (Assistant Legal Adviser at the Ministry of Foreign Affairs).

BOLIVIA.—His Excellency Senor Alberto Gutier-Rez. M. Carlos Victor Aramayo.

BRAZIL.—His Excellency M. Domicio da Gama (Ambassador in London, Brazilian Representative on the Council of the League of Nations). His Excellency M. R. Regis de Oliveira (Ambassador in Mexico). His Excellency M. J. Raul de Rio-Branco (Minister Plenipotentiary at Berne).

BRITISH EMPIRE.—The Earl of Balfour, K.G., O.M. The Right Hon. H. A. L. Fisher, M.P. (Minister of Education). Lieut.-Col. John Ward, C.B., C.M.G., M.P.

Substitutes.—Sir Cecil Hurst, K.C.B., K.C. Mrs. W. M. Coombe Tennant.

BULGARIA.—His Excellency M. Alexandre Stamboliisky (Prime Minister, Minister for Foreign Affairs). His Excellency M. Kosta Todoroff (Minister Plenipotentiary at Belgrade). His Excellency M. Siméon Radeff (former Minister Plenipotentiary).

Substitutes.—M. Pierre Neicoff (Consul-Général). M. Nicolas Mileff (Professor at the University of Sofia).

CANADA.—The Hon. William Stevens Fielding, LL.D., D.C.L., M.P. (Minister of Finance). The Hon. Earnest Lapointe, B.A., LL.D., K.C., M.P. (Minister of Marine and Fisheries). The Hon. Peter Charles Larkin (High Commissioner in London).

CHILE.—His Excellency M. Agustin Edwards (Envoy Extraordinary and Minister Plenipotentiary in Great Britain). His Excellency M. Manuel Rivas-Vicuna (Envoy Extraordinary and Minister Plenipotentiary at Berne and Vienna).

Expert.—M. Ricardo Schonmeyr (Honorary Counsellor).

CHINA.—His Excellency M. Lou Tseng-tsiang (Envoy Extraordinary and Minister Plenipotentiary at Berne). His Excellency M. Tang Tsai-Fou (Envoy Extraordinary and Minister Plenipotentiary at Rome). His Excellency M. Hwang Yung-Liang (Envoy Extraordinary and Minister Plenipotentiary at Vienna).

Substitute.—M. Chao-Hsin Chu (Chargé d'Affaires in London).

COLOMBIA.—His Excellency Dr. Francisco José Urrutia (Minister Plenipotentiary at Madrid and Berne).

Substitute.—M. A. M. Cespedes.

COSTA RICA.—His Excellency M. Manuel de Peralta (Envoy Extraordinary and Minister Plenipotentiary at Paris).

CUBA.—His Excellency M. Cosme de la Torriente y Peraza (Member of the Hague Arbitral Tribunal, President of the Commission for Foreign Affairs of the Senate). His Excellency Dr. Aristides de Agüeroy Bethancourt (Envoy Extraordinary and Minister Plenipotentiary at Berlin). His Excellency M. Guillermo de Blanck y Menocal (Envoy Extraordinary and Minister Plenipotentiary at Berne and The Hague).

Substitute and Secretary-General.—His Excellency M. Miguel Angel Campa y Caraveda (Envoy Extraordinary and Minister Plenipotentiary at Tokio).

CZECHO-SLOVAKIA.—Dr Edouard Benes (Prime Minister, Minister of Foreign Affairs) Dr. Stephen Osusky (Envoy Extraordinary and Minister Plenipotentiary at Paris). Dr. Robert Flieder (Envoy Extraordinary and Minister Plenipotentiary at Berne).

Substitutes.—M. Jan Dvorácek (Minister Plenipotentiary). Dr. Vilém Pospisil (General Director of the Prague Savings Bank).

DENMARK.—His Excellency M. Herluf Zahle (Envoy Extraordinary and Minister Plenipotentiary at Stockholm). M. Laüst Moltesen (Doctor of Philosophy, Member of Parliament). M. P. Munch (Doctor of Philosophy, Member of Parliament).

ESTHONIA.—His Excellency M. Antoine Piip (Minister for Foreign Affairs). General Johan Laidoner (Member of the Chamber of Deputies, President of the Committee for Foreign Affairs and National Defence). His Excellency M. Charles Pusta (Minister Plenipotentiary at Paris and Rome).

Substitute.—M. Alexandre Hellat (Minister at Warsaw). M. Ado Anderkopp (Member of the Chamber of Deputies).

FINLAND.—His Excellency M. Rafael Woldemar Erich (Envoy Extraordinary on special work for the Ministry for Foreign Affairs, Member of the Chamber of Députies). His Excellency M. Eino Rudolf Woldemar Holsti (Member of the Chamber of Deputies). M. Kaarle Vœinœ Voionmaa (Professor at the University of Helsingfors, Member of the Chamber of Deputies).

Substitute.—M. Georges Achates Gripenberg (Chargé d'Affaires at The Hague).

FRANCE.—His Excellency M. Léon Bourgeois (President of the Senate, French Representative on the Council of the League of Nations). (M. Georges Noblemaire (Member of the Chamber of Deputies) (*Substitute*).) His Excellency M. René Viviani. (Member of the Chamber of Deputies). (M. Henry de Jouvenel (Senator) (*Substitute*).) His Excellency M. Gabriel Hanotaux (Member of the French Academy). (M. Georges Marie Reynald (Senator) (*Substitute*).)

Substitute.—M. Joseph Barthelemy (Member of the Chamber of Deputies).

GREECE.—His Excellency M. Georges Streit (former Minister for Foreign Affairs, Member of the Hague Arbitral Tribunal, Professor of International Law, Vice-President of the Greek League of Nations Office). His Excellency M. Nicolas Xydakis (Envoy Extraordinary and Minister Plenipotentiary at Stockholm). His Excellency M. Antoine F. Frangulis (Resident Minister).

Substitutes.—M. Joseph Mallah (Member of the National Assembly). M. de Castorkis (Fellow and Professor of Penal Law at the University of Athens).

GUATEMALA.—Dr. A. Figueroa (Chargé d'Affaires at Paris).

HAITI.—His Excellency M. Louis Dantes Bellegarde (Envoy Extraordinary and Minister Plenipotentiary at Paris).

HONDURAS.—Not represented.

HUNGARY.—His Excellency Count Banffy (Minister for Foreign Affairs).

INDIA.—The Right Hon. Viscount Chelmsford, G.C.S.I., G.C.M.G., G.C.I.E., G.B.E. His Highness the Maharaja Jam Saheb of Nawanagar, K.C.S.I., G.B.E. Sir P. S. Sivaswamy Aiyer, K.C.S.I., C.I.E.

ITALY.—His Excellency M. Vittorio Scialoja (Professor of Law at the Royal University of Rome, Senator). His Excellency the Marquis Guglielmo Imperiali dei Principi di Francavilla (Senator, Ambassador, Italian Representative on the Council of the League of Nations). His Excellency Count Fulco Tosti, Principi di Valminuta (Under Secretary of State for Foreign Affairs).

Substitutes.—M. Maggiorino Ferraris (Senator). M. Stefano Cavazzoni (Member of the Chamber of Deputies). Don Gelasio Gaetani dei Duchi di Sermoneta (Member of the Chamber of Deputies).

JAPAN.—His Excellency the Baron Gonsuke Hayashi (Ambassador to Great Britain). His Excellency Viscount Ishii (Ambassador to the French Republic). His Excellency M. Minéitciro Adatci (Ambassador to Belgium).

Substitutes.—His Excellency M. Kumatara Honda (Minister at Vienna). His Excellency M Michikaza Matsuda (Minister Plenipotentiary, Counsellor of Embassy).

LATVIA.—His Excellency M. G. Albat (Under Secretary of State for Foreign Affairs). Dr. Walters (Envoy Extraordinary and Minister Plenipotentiary at Rome). M. O. Grosvald (Envoy Extraordinary and Minister Plenipotentiary at Paris).

Substitute.—M. V. Schumans (Head of the Political and Economic Sections at the Ministry for Foreign Affairs).

LIBERIA.—Baron Rodolphe Auguste Lehman (Chargé d'Affaires at Paris).

Substitute.—M. Nicolas Ooms (Secretary of Legation).

LITHUANIA.—M. Vencelas Sidzikauskas (Chargé d'Affaires at Berne). M. T. Narusevicius (Chargé d'Affaires in London). M. Jonynas (Director at the Ministry for Foreign Affairs).

LUXEMBURG.—M. Antoine Lefort (Councillor of State).

NETHERLANDS.—His Excellency the Jonkheer J. Loudon (Envoy Extraordinary and Minister Plenipotentiary at Paris). Professor A. H. Struycken (Doctor of Law and Political Science, Member of the Council of State, Member of the Permanent Court of Arbitration at The Hague). Professor W. J. M. van Eysinga (Doctor of Law and Political Science, Professor at the University of Leyden).

NEW ZEALAND.—Col. the Hon. Sir James Allen, K.C.B. (High Commissioner in London). The Hon. Sir Francis Bell, K.C.M.G., K.C. (Attorney-General of New Zealand). The Right Hon. Sir Arthur Steel-Maitland, Bart., M.P.).

NORWAY.—Dr. Nansen (Professor at the University at Christiania). His Excellency M. O to Albert Blehr (Prime Minister). His Excellency M. Christian Fredrik Michelet (Barrister, former Minister for Foreign Affairs).

Substitutes.—Dr. Christian L. Lange (Secretary-General of the Inter-Parliamentary Union). Dr. Mikael H. Lie (Professor at the University of Christiania). Mlle. Kristine Elisabeth Bonnevie (Doctor and Professor at the University of Christiania).

PANAMA.—His Excellency M. Antonio Burgos (Envoy Extraordinary and Minister Plenipotentiary at Rome and Berne). Doctor the Hon. Raoul A. Amador (Chargé d'Affaires at Paris).

PARAGUAY.—His Excellency Dr. Hector Velázquez (Envoy Extraordinary and Minister Plenipotentiary at Rome).

PERSIA.—His Highness Prince Mirza Riza Khan Arfa-ed-Dowleh (Ambassador, former Minister of Justice). His Excellency Emir Zoka-ed-Dowleh (Envoy Extraordinary and Minister Plenipotentiary at Berne).

PERU.—Not represented.

POLAND:—His Excellency Porfessor Szymon Askenazy (Envoy Extraordinary and Minister Plenipotentiary, Permanent Delegate to the League of Nations). His Excellency Dr. Witold Chodzko (Minister of Public Health). His Excellency M. Léon Plucinski (Envoy Extraordinary and Minister Plenipotentiary, General Commissioner of the Polish Government at Danzig).

Substitutes.—His Excellency Jean de Modzelewski (Envoy Extraordinary and Minister Plenipotentiary at Berne). M. Francois Sokal (Polish Delegate on the Governing Body of the International Labour Office).

PORTUGAL.—His Excellency M. Teixeira Gomes (Envoy Extraordinary and Minister Plenipotentiary in London). His Excellency M. Joao Chagas (Envoy Extraordinary and Minister Plenipotentiary at Paris). M. Ernesto de Vasconcellos.

Substitute.—His Excellency M. Antonio Maria Bartholomeu Ferreira (Minister of Berne).

ROUMANIA.—His Excellency M. C. Dissesco (Senator, former Minister of State, Professor at the University of Bucharest). His Excellency M. Manolesco-Romniceano (former Senior President of the Supreme Court of Appeal).

Substitutes.—Mlle. Hélène Vacaresco. Professor S. Puscario (former Principal of the University of Cluj).

SALVADOR.—Not represented.

SERB-CROAT-SLOVENE STATE.—His Excellency Dr. Momtchilo Nintchitch (Minister for Foreign Affairs). His Excellency Dr. Miloutine Yovanovitch. (Minister at Berne). His Excellency Michel Gavrilovitch (Minister at London).

Substitutes.—Dr. Milorad Straznicky (Professor at the University of Zagreb). M. Ranislav Avramovitch (Under-Secretary of State at the Ministry of Transport). M. Vassilié Yovanovitch.

SIAM.—His Highness Prince Charoon (Minister at Paris). His Excellency Phya Bibadh Kosha (Minister at Rome). M. Phya Rajawangsan (Captain in the Royal Siamese Navy).

SOUTH AFRICA.—The Hon. Sir Edgar Harris Walton, K.C.M.G. (High Commissioner in London). The Right Hon. Lord Robert Cecil, K.C., M.P. Professor Gilbert Murray, M.A., LL.D.

Substitute and Expert.—Sir Henry Strakosch

SPAIN.—His Excellency Count de Gimeno (Senator). His Excellency M. José Quiñones de León (Ambassador at Paris, Spanish Representative on the Council of the League of Nations). His Excellency M. Emilio de Palacios (Under Secretary of State for Foreign Affairs).

SWEDEN.—His Excellency M. Hjalmar Branting (Prime Minister, Minister for Foreign Affairs). M. Ernst Trygger (Doctor of Law, Judge of the Supreme Court, Member of the First Chamber of the Riksdag). M. Jonas Eliel Loefgren (former Minister, Member of the First Chamber of the Riksdag).

Substitutes.—Baron Sten Gustaf Fredrik Troil Ramel (Envoy Extraordinary and Minister Plenipotentiary at Christiania). Madame Anna Bugge Wicksell (Master of Law, Secretary of the Royal Swedish Committee dealing with League of Nations questions). Professor Oesten Unden (former Minister, Professor at the University of Upsala).

SWITZERLAND.—His Excellency M. Giuseppe Motta (Head of the Federal Political Department, Federal Councillor). His Excellency M. Gustave Ador (former Federal Councillor, President of the International Red Cross Committee). M. Paul Usteri (Member of the Council of States).

Substitute.—M. Robert Forrer (Doctor of Law, National Councillor).

URUGUAY.—His Excellency M. Juan Carlos Blanco (Minister at Paris). M. Antonio Bachini (Deputy, President of the Committee on International Affairs, former Minister for Foreign Affairs). M. Benjamin Fernandez Medina (Envoy Extraordinary and Minister Plenipotentiary at Madrid).

VENEZUELA.—His Excellency Dr. José Gil Fortoul (Envoy Extraordinary and Minister Plenipotentiary at Paris and Berne). His Excellency M. César Zumeta (Inspector of Consulates, Special Commissioner for the study of the commercial situation and of the state of navigation in different countries). Dr. José Antonio Tagliaferro (Senator, Member of the Venezuelan Section of the Inter-American Commission).

Substitute.—M. Manuel Arocha (Consul at Geneva).

STATES NOT MEMBERS OF THE LEAGUE.

ARMENIA.—M. Gabriel Noradounghian. M. Mikaël Vapadtanian.

GEORGIA.—M. Khariton Chavichvili.

APPENDIX II.

Reports of Committees of the Assembly, and other connected Documents.

ANNEX 1.—*Rules of Procedure of the Assembly (as amended by the Second and Third Assemblies).*

Rule 1.—(1) The Assembly shall meet in General Session every year, at the seat of the League of Nations, commencing on the first Monday in September.

(2) Sessions may also be held at such times as the Assembly at a previous meeting decides, and at such times as the Council, by a majority vote, decides.

(3) If a Member of the League considers a Session to be desirable, it may request the Secretary-General to summon a Special Session of the Assembly. The Secretary-General shall thereupon inform the other Members of the League of the request, and enquire whether they concur in it. If within a period of one month from the date of the communication of the Secretary-General a majority of the members concur in the request, a special Session of the Assembly shall be summoned.

Rule 2.—The Sessions of the Assembly shall be held at the seat of the League, or, in exceptional circumstances, at such other place as is designated by the Assembly or by a majority of the Council, or approved by a majority of the Members of the League.

Rule 3.—(1) The Sessions of the Assembly shall be summoned by the President of the Council, acting through the Secretary-General.

(2) The summons shall be addressed to the Members of the League not less than four months before the date fixed for the opening of the Session. In exceptional circumstances, however, the Council, by a majority vote, may sanction a shorter period.

(3) Nothing contained in paragraph (2) of this Rule shall affect the provisions, concerning special cases, contained in the Covenant.

Rule 4.—(1) The agenda shall be drawn up by the Secretary-General with the approval of the President of the Council. The complete agenda shall be circulated as nearly as possible four months before the date fixed for the opening of the Session.

(2) The agenda of a general Session shall include:—

(*a*) A report on the work of the Council since the last Session, on the work of the Secretariat, and on the measures taken to execute the decisions of the Assembly.

(*b*) All items whose inclusion has been ordered by the Assembly, at a previous Session;

(*c*) All items proposed by the Council;

(*d*) All items proposed by a Member of the League; and

(*e*) The Budget for the next fiscal period, and the report on the accounts of the last fiscal period.

(3) Any Member of the League may, at least one month before the date fixed for the opening of the Session, request the inclusion of additional items in the agenda. Such items shall be placed on a supplementary list, which shall be circulated to the Members of the League

at least three weeks before the date fixed for the opening of the Session. The Assembly shall decide whether items on the supplementary list shall be included in the agenda of the Session.

(4) The Assembly may, in exceptional circumstances, place additional items on the agenda; but all consideration of such items shall, unless otherwise ordered by a two-thirds majority of the Assembly, be postponed until four days after they have been placed on the agenda, and until a committee has reported upon them.

(5) No proposal for a modification of the allocation of expenses for the time being in force shall be inserted in the agenda unless it has been communicated to the Members of the League at least four months before the date fixed for the opening of the Session.

Rule 5.—(1) Each Member shall communicate to the Secretary-General, if possible before the date fixed for the opening of the Session, the names of its Representatives, of whom there shall be not more than three. The names of Substitute-Representatives may be added.

(2) Each Representative shall, as soon as possible, and preferably before the opening of the Session, present his credentials to the Secretary-General.

(3) A committee of eight members for the examination of the credentials shall be elected by the Assembly by secret ballot. The committee shall report without delay.

(4) Any representative to whose admission objection has been made shall sit provisionally with the same rights as other representatives, unless the Assembly decides otherwise.

Rule 6.—(1) In addition to the Substitute-Representatives mentioned in paragraph (1) of Rule 5, the Representatives of a Member of the League attending the Assembly, acting together as a Delegation, may appoint substitutes. Any such appointment shall be communicated in writing to the President.

(2) A Substitute-Representative appointed by a Member of the League may take the place of a Representative without nomination by the Representatives.

(3) A Substitute-Representative or substitute may take the place of a Representative who is absent from a meeting of the Assembly, or is temporarily prevented from taking part in its deliberations, but if the Representative is present at the meeting the Substitute-Representative or substitute is only entitled to assist him.

(4) A Delegation may appoint for service on a committee a deputy or technical adviser other than those referred to in the above paragraphs of this Rule; but a deputy or adviser so appointed shall not be eligible for appointment as Chairman or *Rapporteur*, or for a seat in the Assembly.

Rule 7.—(1) The officers of the Assembly shall consist of a President and of six Vice-Presidents, together with the Chairmen of the main Committees of the Assembly, who shall be *ex-officio* Vice-Presidents of the Assembly. These officers shall form the General Committee.

(2) The President shall be elected at the beginning of each session.

(3) Until the election of the President, the President of the Council shall act as President of the Assembly.

(4) The election of the Vice-Presidents shall take place at one of the early meetings of the session.

Rule 8.—(1) The President shall announce the opening, suspension and adjournment of the meetings of the Assembly, direct the work of the Assembly, ensure the observance of the Rules of Procedure, accord the right to address the Assembly, declare the debates to be closed, put questions to the vote, and announce the result of the voting.

(2) In the general direction of the work of the Assembly, in the constitution of such committees as the Assembly decides to create, in deciding on the communications to be made to the Assembly, in the framing of the agenda for each meeting, and in the determination of the order of priority for its various items, the President shall be assisted by the General Committee.

Rule 9.—(1) The Secretary-General shall be responsible for the organisation of the Secretariat of the Assembly and of the Secretariat of any committees set up by the Assembly.

(2) The Secretary-General may be assisted or replaced at the meetings of the Assembly by a deputy or deputies. The Secretary-General, or one of his deputies, may at any time, on the invitation of the President, bring before the Assembly reports concerning any question which is being considered by the Assembly, and may be invited by the President to make verbal communications concerning any question under consideration.

Rule 10.—(1) It shall be the duty of the Secretariat, *inter alia*, to receive, print, circulate and translate documents, reports and resolutions; to translate speeches made at the meetings; to draft, print and circulate the Minutes of the Session; to have the custody and proper preservation of the documents in the archives of the Assembly; to publish the reports of the meetings; and, generally, to perform all other work which the Assembly thinks fit to entrust to it.

(2) All documents emanating from the Assembly shall be circulated to the Governments of the Members of the League.

Rule 11.—(1) The public shall be admitted to the plenary meetings of the Assembly by cards distributed by the Secretary-General.

(2) The Assembly may decide that particular meetings shall be private.

(3) All decisions of the Assembly upon items on the agenda, which have been taken at a private meeting, shall be announced at a public meeting of the Assembly.

Rule 12.—A list of the attendance at each meeting of the Assembly shall be kept by the Secretariat.

Rule 13.—At the beginning of each meeting the President shall present to the Assembly all communications addressed to the Assembly or to the League, the importance of which appears to him to warrant such action.

Rule 14.—(1) The Assembly shall establish such committees as it thinks fit, for the consideration of the items on the agenda. Items of the same nature will be referred to the same committee.

(2) The Assembly shall not decide items on the agenda in full meeting until the report of a committee upon them has been presented and circulated, unless the Assembly itself, by a two-thirds majority, determines otherwise.

Reports by a Committee involving the expenditure of money must indicate whether the expenditure will constitute part of the general expenses of the League or whether it will be recovered from the Members of the League particularly concerned.

Reports by a Committee other than the Finance Committee recommending action which will involve the expenditure of money shall be accompanied by as close an estimate as time and circumstances allow of the amount of the expenditure involved. This estimate shall, before the matter is brought before the Assembly, be submitted to the Fourth Committee in order that it may be checked by that Committee.

No resolution involving expenditure shall in any case be voted by the Assembly before the Finance Committee shall have expressed its opinion on the advisability of the proposed expenditure from the point of view of general budgetary resources.

(3) Each Delegation may designate one member, and may nominate technical advisers for each committee.

(4) Each committee shall appoint its Chairman and *Rapporteur*.

(5) Each committee may appoint sub-committees, which shall elect their own officers.

(6) Each committee shall meet in private unless it decides otherwise. It shall keep a Register of its discussions, and Minutes, which shall be published at the earliest possible date, but not until they have been approved by the committee. They may at any time be consulted by any Member of the Assembly.

(7) Every representative shall have the right to place before any committee any communication which he considers should be made to it, but no representative may, without special leave from the Chairman, speak at a meeting of any committee of which he is not a member.

(8) The Secretary-General or his deputies may make to any committee or sub-committee any report or verbal communication which he or they may consider desirable.

Rule 15.*—(1) No representative may address the Assembly without having previously obtained the permission of the President.

(2) Speakers shall be called upon in the order in which they have signified their desire to speak. The Chairman and the *Rapporteur* of a committee may be accorded precedence for the purpose of defending or explaining the conclusions arrived at by their committee. The same principle shall apply to any Member of the Council.

(3) The President may call a speaker to order if his remarks are not relevant to the subject under discussion. If necessary, he may direct the speaker to resume his seat.

(4) When a motion is under discussion, a representative may rise to a point of order, and such point of order shall be immediately decided by the President in accordance with the Rules of Procedure.

(5) The Assembly may limit the time allowed to each speaker.

Rule 16.—(1) Speeches in French shall be summarised in English, and *vice versâ*, by an interpreter belonging to the Secretariat.

(2) A Representative speaking in another language shall provide for the translation of his speech into one of these two languages.

(3) All documents, resolutions and reports circulated by the President or the Secretariat shall be rendered in both French and English.

(4) Any Representative may have documents circulated in a language other than French or English, but the Secretariat will not be responsible for their translation or printing.

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* (1) The right to speak at the Assembly before any other speakers shall be accorded to a representative of a State Member of the Council.

(2) This right is only conferred in cases where the delegate wishes to speak for the purpose of defending or explaining to the Assembly the views, decisions or actions of the Council which are under discussion (Conclusions of General Committee, *Journal of the Third Assembly*, No. 14, 19th September 1922).

(5) Any Member of the League, or any group of Members, may require that all documents and publications of the League shall be regularly translated into, and printed and circulated in, a language other than French and English, but shall in such case defray all the necessary expenses.

Rule 17.—(1) Resolutions, amendments and motions must be introduced in writing and handed to the President. The President shall cause copies to be distributed to the Representatives.

(2) As a general rule, no proposal shall be discussed or put to the vote at any meeting of the Assembly unless copies of it have been circulated to all Representatives not later than the day preceding the meeting.

(3) The President may, however, permit the discussion and consideration of amendments, or of motions as to procedure, without previous circulation of copies.

Rule 18.—(1) During the discussion of any question, any Representative may move the previous question or the adjournment. Any such motion shall have priority in the debate. In addition to the proposer of the motion, two Representatives may speak in favour of, and two against, the motion.

(2) Parts of a proposal shall be voted on separately, if a Representative requests that the proposal be divided.

(3) A Representative may at any time move the closure of the debate, whether any other Representative has signified his wish to speak or not. If application is made for permission to speak against the closure, it may be accorded to not more than two speakers.

(4) The President shall take the sense of the Assembly on a motion for closure. If the Assembly decides in favour of the closure, the President shall declare the closure of the debate.

(5) When a number of proposals are before the Assembly, the proposal furthest removed in substance from the principal one shall be voted on first.

(6) If an amendment striking out part of a proposal is moved, the Assembly shall first vote on whether the words in question shall stand part of the proposal. If the decision is in the negative, the amendment shall then be put to the vote.

(7) When an amendment adds to a proposal it shall be voted on first, and if it is adopted the amended proposal shall then be voted on.

Rule 19.—(1) Except where otherwise expressly provided in the Covenant or by the terms of a treaty, decisions of the Assembly shall be taken by an unanimous vote of the Members of the League represented at the meeting.

(2) All matters of procedure at a meeting of the Assembly, including the appointment of committees to investigate particular matters, shall be decided by a majority of the Members of the League represented at the meeting.

(3) All decisions taken in virtue of these Rules shall be considered as matters of procedure.

(4) A majority decision requires the affirmative votes of more than half of the Members of the League represented at the meeting.

(5) For the purposes of this Rule, Representatives who abstain from voting shall be considered as not present.

Rule 20.—The Assembly shall vote by "Appel Nominal," except when the Members of the League represented at the meeting agree that the method of voting shall be by heads of Delegations rising in their seats, and except in the cases provided for in Rule 21. The "Appel Nominal" shall be taken in one of the following manners as the Assembly may decide:—

(*a*) The name of each Delegation shall be called, and one of its Members shall reply "Yes," "No," or "Not Voting." The result of the vote shall be recorded and announced to the Assembly; or

(*b*) The Delegation of each Member of the League represented at the meeting shall be provided with two voting tickets, on which the name of the country is written, one red and one blue, the former being "Aye," the latter "No." The voting tickets shall be deposited in an urn placed near the President's platform. When all the votes have been collected, the President shall declare the ballot closed, and the General Committee shall proceed to count the votes. The individual votes shall be communicated to the Assembly and the result shall be announced by the President.

Rule 21.—(1) All decisions relating to individuals shall be taken by a secret ballot.

(2) If, when one person only is to be elected, no one person obtains at the first ballot an absolute majority of votes, an entirely new ballot shall be taken; but on this occasion the voting shall be confined to the two candidates who obtained the largest number of votes at the first ballot. If there is at this ballot an equality of votes for the two candidates, the elder candidate shall be declared elected.

(3) When a number of elective places of the same nature are to be filled at one time, those persons who obtain an absolute majority at the first ballot shall be elected. If the

number of persons obtaining such majority is less than the number of persons to be elected, there shall be a second ballot to fill the remaining places, the voting being restricted to the unsuccessful candidates who obtained the greatest number of votes at the first ballot, not more than double in number the places remaining to be filled. Those candidates, to the number required to be elected, who receive the greatest number of votes at the second ballot, shall be declared elected.

Rule 22.—In case of equality in any voting other than that referred to in Rule 21, in which a majority is required, a second vote shall be taken in the course of the next meeting; this meeting shall be held within 48 hours from the date on which the first vote was taken, and it shall be expressly mentioned on the agenda that a second vote will be taken on the matter in question. Unless there is at this subsequent meeting a majority in favour of the proposal, it shall be considered as lost.

Rule 23.—(1) The President may declare a meeting to be adjourned or suspended, if a proposal for adjournment or suspension made by him does not meet with objection from the Assembly.

(2) The President shall declare an adjournment or suspension of the meeting upon a vote to this effect by the Assembly.

Rule 24.—The General Committee, in cases where it deems it necessary, may revise the resolutions adopted by the Assembly, changing their form but not their substance. Any such changes shall be reported to the Assembly.

Rule 25.—The verbatim report of each meeting shall be drawn up by the Secretariat and submitted to the Assembly after approval by the President.

Rule 26.—The resolutions adopted by the Assembly shall be circulated by the Secretary-General to the Members of the League within 15 days after the termination of the Session.

Rule 27.—These Rules of Procedure shall apply to the proceedings of committees of the Assembly.

Rule 28.—These Rules of Procedure may be altered by a decision of the Assembly; but no such alteration shall be made except upon a majority vote of the Assembly, taken after a committee has reported on the proposed alteration.

ANNEX II.—*Regulations for the Financial Administration of the League of Nations.*

DEFINITIONS.

In these Regulations:—

The "League" includes the Secretariat and all autonomous and non-autonomous organisations.

"Assembly" means the Assembly of League of Nations.

"Council" means the Council of the League of the Nations.

"Autonomous organisations" include the International Labour Organisation, the Permanent Court of International Justice, and any autonomous organisation hereafter created by the Assembly.

The word autonomous has reference solely to the separation of the financial administration of such organisations from that of the Secretariat and does not imply any wider consequences.

"Competent authority" means (*a*) in the case of the Secretariat and non-autonomous organisations, the Council, (*b*) in the case of the International Labour Organisation, the Governing Body of the Labour Office, and (*c*) in the case of the Permanent Court of International Justice, the Court.

"Competent official" means (*a*) in the case of the Secretariat and non-autonomous organisations, the Secretary-General, (*b*) in the case of the International Labour Organisation, the Director of the Labour Office, and (*c*) in the case of the Permanent Court of International Justice, the Registrar of the Court; or the duly authorised deputies of these officials.

"Non-autonomous organisations" include all organisations of the League (other than the autonomous organisations) which do not form part of the general services of the Secretariat.

"Commission" means the Supervisory Commission.

"*Rapporteur*" means the *Rapporteur* of the Commission.

CHAPTER I.

THE SUPERVISORY COMMISSION

Article 1.—(1) There shall be a Supevisory Commission to perform the duties assigned to it by these Regulations, and to deal with any other special matters referred to it by the Assembly or the Council.

(2) The Commission shall be composed of five members, of whom one at least shall be a financial expert. The members shall be appointed by the Council, which, in selecting members, shall include among them persons belonging to countries, Members of the League, which are not represented on the Council.

(3) The term of office of members of the Commission shall be three years corresponding to three financial years of the League, and retiring members shall be eligible for reappointment but—

(*a*) the whole Commission shall not be renewed simultaneously; and, in order to establish a system of partial annual renewal, the members who were in office before the adoption of these Regulations shall retire as follows: at the end of each of the years 1923 and 1924 two members, and at the end of 1925 the remaining member, the order of retirement being determined by lot;

(*b*) any vacancy caused by the death or resignation of a member before the end of his term of office shall be filled by appointing a member to hold office until the end of the term of office of the member deceased or resigning.

Article 2.—(1) The Commission shall appoint from its members a Chairman, a Vice-Chairman and a *Rapporteur* for each financial year. They shall be eligible for reappointment.

(2) The *Rapporteur* shall be generally responsible for the preparation of the work of the Commission before its plenary meetings. He shall ascertain that the decisions taken by the Commission at its meetings are carried out, and shall execute all duties placed upon him by these Regulations or by the Commission.

Article 3.—(1) The Commission shall hold its sessions in Geneva. Suitable office accommodation, as required, shall be provided by the Secretary-General for the Commission and the *Rapporteur*.

(2) The Secretary-General shall place the necessary clerical assistance at the disposal of the Commission and the *Rapporteur*. An official of the Secretariat, who shall be assisted by an official of the International Labour Office, shall act as Secretary of the Commission.

Article 4.—(1) An auditor, who shall be a person in no way in the service of any of the organisations of the League, shall be appointed by the Council on the proposal of the Commission.

(2) The auditor shall be appointed for a period of five years, and shall not be removable except by the Council and on the proposal of the Commission, with reasons stated.

(3) During his presence at the seat of any League organisation for the purposes of an audit, the auditor shall receive subsistence allowance and such other allowances as the Commission may determine, and his necessary travelling expenses shall be refunded on production of a duly certified statement.

Article 5.—(1) The competent officials shall on their request, be heard by the Commission, whenever it is in session, and shall appear before the Commission at its request. Other officials shall appear before and give information to the Commission on a request to that effect being addressed by the Commission to the competent officials.

(2) While the Commission is not in session, the *Rapporteur*, if present at the seat of the League or of one of its organisations for the discharge of his duties, shall be entitled to obtain information from officials in accordance with the preceding paragraph. The *Rapporteur* shall submit to the Chairman of the Commission any question which the competent officials request him so to submit.

(3) The Commission shall supply the Council with any information relating to its work which the Council may require.

CHAPTER II.

Financial Administration of League Organisations.

Article 6.—All organisations of the League, including all autonomous organisations, shall comply with these Regulations, and with every decision of the Assembly governing financial and budgetary administration.

Article 7.—(1) The financial administration of autonomous organisations shall be independent of the financial administration of the Secretariat, subject always to the provisions of these Regulations.

(2) The financial administration of the non-autonomous organisations shall be an integral part of the financial administration of the Secretariat.

(3) The Secretary-General, acting in consultation with the Advisory Committee of the organisation (if any), shall be responsible for estimating the financial requirements of the non-autonomous organisations, and for submitting such estimates. He shall likewise be responsible for the expenditure of all funds voted for these organisations, and for the appropriation of such expenditure to the proper items of the Budget.

(4) In the case of an autonomous organisation, the responsibilities dealt with in para. (3) shall rest upon the competent official or competent authority.

CHAPTER III.

Drawing up the Budget.

Article 8.—The financial year of the League shall be the calendar year.

Article 9.—(1) For every financial year estimates shall be made of the expenditure to be incurred by the League.

(2) The estimates shall be divided into separate *parts*: (*a*) for the Secretariat, (*b*) for each autonomous organisation, and (*c*) for the Working Capital Fund, when it is necessary to ask for contributions to this fund, in accordance with the model shown in the annex.

(3) Each *part* (except that relating to the Working Capital Fund) shall be divided into two *Sections*, one for ordinary expenditure and the other for capital expenditure.

(4) The Sections referred to in para. (3) shall be subdivided into *Chapters* corresponding to the various services or categories of expenditure. The different organisations shall aim at uniformity of arrangement.

Article 10.—(1) There shall be included in the part of the Budget dealing with the expenses of the Secretariat the cost of sessions of the Council and the Assembly, the cost of all non-autonomous organisations, and any expenses of a bureau or commission which the Council may decide so to include in the expenses of the Secretariat in accordance with Article 24 of the Covenant.

(2) There shall be separate Chapters for each of these categories of expenditure and for the general expenses of the Secretariat.

Article 11.—The general Budget of the League shall be preceded by a summary of the estimated income and expenditure for all the organisations covered by the Budget. This statement shall set out the amount required to cover —

(*a*) ordinary expenditure,

(*b*) capital expenditure,

(*c*) contributions, when necessary, to the Working Capital Fund.

Article 12.—(1) Each part of the Budget, as defined in Article 9, shall consist of—

(*a*) A summary of Chapters.

(*b*) A full statement of items, showing for each, in addition to the sum asked for, the sum voted for the current year, and the sum voted for and the amount actually expended in the preceding year.

(*c*) Wherever possible, detailed schedules and explanatory statements. The schedules shall be subdivided in accordance with the principles of Article 9.

(2) Important differences in the amounts estimated during successive years for the same items shall be fully explained by means of notes.

Article 13.—A list showing the names of the officials of the Secretariat and of other organisations, and setting out their nationalities, duties, salaries, and entertainment and house allowances (if any), shall be confidentially circulated to the Members of the League at the same time as the Budget, and to the Assembly at its regular annual session.

Article 14.—Modifications proposed in the estimates after the Budget has been circulated to the Members of the League shall, as far as possible, be included in one document; if necessary, a revised Budget shall be substituted for the original Budget. A supplementary Budget may be submitted to the Assembly by its Finance Committee.

CHAPTER IV.

Adoption of the Budget.

Article 15.—(1) The Secretary-General shall arrange for the Budget and the Annexes as described in the preceding chapter, together with a general introduction, to be submitted to the Commission before the 1st May of each year.

(2) In order to enable the Secretary-General to comply with the provisions of para. (1), the competent officials of the autonomous organisations shall supply the Secretary-General with the data required on or before a date to be fixed by the Secretary-General in agreement with the officials concerned.

Article 16.—(1) The Commission shall annually examine the Budget and prepare a report thereon in time for both documents to be despatched to the Council and the Members of the League three months before the regular annual session of the Assembly.

(2) The observations of the Council upon the Budget and upon the report of the Commission shall be despatched to the Members of the League in time for them to be received at least one month before the regular annual session of the Assembly.

(3) When the Commission is considering their respective Budgets, the autonomous organisations shall be represented before the Commission in such manner as they may decide and the Commission approve. A non-autonomous organisation shall be represented by the

Secretary-General, assisted by one of the officials especially responsible for its work, and, if so requested, by a member of the Advisory Committee.

(4) The Commission may not amend the Budget, as presented to it, but may propose modifications. The Commission will discuss such modifications (if any) with the competent official or authority, and report its conclusions to the Council and the Assembly.

Article 17.—(1) The Assembly shall not consider the Budget in plenary session until its Finance Committee has considered the Budget and the report of the Commission, and has presented its report.

(2) The Assembly may in plenary session make any amendments in the Budget which it may consider desirable. The consideration and the adoption of the Budget by the Assembly shall be governed by the rules made by the Assembly in that respect in exercise of the powers vested in it by the Covenant.

Article 18.—(1) When the Assembly or its Finance Committee discusses the budget of any autonomous organisation, such organisation may delegate one representative to assist at the meetings of the Assembly and as many representatives as the Finance Committee may approve to assist at the meetings of the Finance Committee. Such representative or representatives may be heard, but shall not address the meeting except on the invitation of the President.

(2) The Advisory Committee of a non-autonomous organisation may, in like manner, send a representative to attend at meetings of the Finance Committee of the Assembly at which its budget is discussed.

Article 19.—(1) Modifications in the Part of the Budget dealing with the Secretariat proposed by the Secretary-General before the opening of the Assembly, shall, as far as possible, be submitted to the Council. Proposals for modification of a Part dealing with an autonomous organisation shall similarly be submitted to the competent authority of the organisation.

2.—(*a*) Reports by a Committee involving the expenditure of money must indicate whether the expenditure will constitute part of the general expenses of the League or whether it will be recovered from the Members of the League particularly concerned.

(*b*) Reports by a Committee other than the Finance Committee recommending action which will involve the expenditure of money shall be accompanied by as close an estimate as time and circumstances allow of the amount of the expenditure involved. This estimate shall, before the matter is brought before the Assembly, be submitted to the Fourth Committee in order that it may be checked by that Committee.

(*c*) No resolution involving expenditure shall in any case be voted by the Assembly before the Finance Committee shall have expressed its opinion on the advisability of the proposed expenditure from the point of view of general budgetary resources.

CHAPTER V.

Collection of Funds.

Article 20.—The expenses of the League shall be borne by the Members of the League in the manner prescribed by the Covenant.

Article 21.—(1) As soon as possible after the Assembly has adopted the Budget, and the total amount voted has been apportioned among the Members of the League in the manner prescribed by the Convenant, the Secretary-General shall transmit all relevant documents to the Members of the League and request them to remit their contributions as soon as possible after the beginning of the financial year for which they are due, and, in any case, to give notice when payment may be anticipated.

(2) If payment has not been made, and notice as to the anticipated date of payment has not been given by the first day of April following, the Secretary-General shall repeat his request. He shall again repeat his request at the end of three months, and at the end of a further three months, if such notice has still not been given, and if payment of the contribution has not in the meantime been made.

(3) If, when notice is given, the date proposed is too late to meet the needs of the League, the Secretary-General shall explain the position to the Member concerned. If no payment is made on the date proposed by the Member of the League or afterwards agreed upon, the Secretary-General shall be guided as to the action to be taken by the rule of paragraph (2).

(4) At the first session of the Council held after each of the dates mentioned in para. (2), the Secretary-General shall present to the Council a statement on the general financial position and on the steps which he has taken. A similar statement shall annually be presented to the Assembly. The Assembly will take such action as it may deem proper.

Article 22.—(1) States, not Members of the League, which have been admitted members of any organisation of the League, shall, in the absence of any contrary provision, contribute towards the expenses of the organisation concerned as nearly as possible in the proportion in which they would contribute to such expenses if they were Members of the League. This provision shall not apply to the case of a State, not a Member of the League, which accepts an invitation to participate in the work of a League organisation without any condition as to contributing to the expenses of the organisation.

(2) The total amount receivable in accordance with para. (1) shall be shown separately in the Budget, and, when received, shall be applied to reduce the total sum chargeable for the following year to the Members of the League.

(3) In the case of non-autonomous organisations, the Secretary-General shall secure that the amounts referred to in para. (1) are collected. Autonomous organisations shall themselves collect such amounts; the rules laid down in Article 21 shall apply as far as possible, and the competent officials shall supply the Secretary-General with the information necessary for the application of those rules.

Article 23.—Receipts, other than contributions payable by Governments, such as receipts from the sale of publications and other miscellaneous sources, and interest, shall, if possible, be estimated in advance and be deducted, as appropriations in aid, from the estimates put forward in the Budget.

CHAPTER VI.

Appropriation of Funds.

Article 24.—The adoption of a Budget by the Assembly shall constitute an authorisation to the competent officials or authorities to incur expenditure, during the year to which the Budget relates, for the purposes for which money has been voted in the Budget up to, but not exceeding, the amounts so voted.

Article 25.—The competent officials shall not allow any money to be expended for any purpose in excess of the amount provided in the Budget for such purpose. In order to prevent any such excess of expenditure, they shall cause all payments, as made, to be appropriated to the proper item of the Budget, and shall keep a record of such appropriations and of liabilities incurred showing at all times the amount available under each item.

Article 26.—(1) On the receipt of each contribution, the Secretary-General shall distribute to the competent officials of the autonomous organisations the proportional amount to which each organisation is entitled. The share of each autonomous organisation shall bear the same proportion to the whole contribution as the estimates of such organisation bear to the whole estimates of expenditure of the League for the year to which the contribution relates.

(2) The Secretariat and the autonomous organisations shall share in the Working Capital Fund in a proportion determined, *mutatis mutandis*, on the principle of para. (1).

(3) Where the current requirements of the Secretariat, or of an autonomous organisation, within the limits of its budget, cannot be met out of its proportional share of the contributions hitherto received or other income, the Secretary-General shall make advances to meet such requirements out of the Working Capital Fund up to the amount of the organisation's proportional share in the Fund. An organisation may be advanced more than its proportional share of the fund as a temporary loan with the consent of the competent officials of the organisation, whose shares are thereby diminished.

Article 27.—(1) Where the advances which can be made under the preceding Article are not sufficient, the Secretary-General shall have power to contract loans within the limits of the Budget and with the approval of the Council, or, if the Council is not in session, of the President of the Council.

(2) The interest on such loans shall be charged to the various organisations in the proportion in which they benefit from them; but if any organisation has already received more than its proportional share of the Working Capital Fund, it shall, as from the date of contracting the loan, be charged interest on such excess as though it were money derived from the loan, and an equal amount of the loan shall be available, without interest, for the organisations whose shares of working capital have been depleted.

(3) The Secretary-General shall not borrow for any organisation in any year more than its proportional share (calculated on the same principle as its proportional share in contributions) of the total amount which he estimates that he can borrow during such year.

Article 28.—When a sum is voted in the Budget by the Assembly without specification of the precise purposes for which it is to be applied, no part of such sum shall be expended until a detailed statement as to the nature and object of the expenditure has been considered and approved by the competent authority.

Article 29.—Transfers from one item to another of the same Chapter of the Budget may be effected by special resolutions of the competent authority. Such resolutions shall at once be communicated to all Members of the League and to the Assembly at the beginning of its regular annual session.

Article 30.—(1) Payments in respect of transactions for which provision is made in the Budget of a particular year may be charged to the accounts of that year if they are made not later than the 15th day of February of the following year.

(2) Persons to whom any payment is due out of the Budget for any year shall be requested to submit their accounts in good time before 15th February of the following year, and shall, so far as is possible, be tendered payment before that date.

(3) There shall be included in each Part of the Budget for each year a fund, known as the "Unpaid Liabilities Fund," for the purpose of enabling the competent officials to pay debts which are due in respect of transactions covered by the Budget for the previous year, but which could not be paid in time to be chargeable to such year owing to unavoidable or excusable delay in the presentation or settlement of the accounts.

(4) Creditors who, after their attention has been called to the provisions of this Article, neglect to present their accounts in time to allow of payment by the prescribed date, if they cannot be paid out of the Unpaid Liabilities Fund without preventing payment therefrom of creditors who satisfy the requirments of paragraph (3), shall be informed that their accounts cannot be paid until the necessary sum has again been voted by the Assembly.

CHAPTER VII.

The Working Capital Fund: Investment of Funds.

Article 31.—(1) The Working Capital Fund is a fund established for the purposes mentioned in Article 33 below, and constituted by monies voted by the Assembly and payable by the Members of the League, in addition to the sum voted for the expenses of the year.

(2) The Assembly alone is competent to decide whether, in any year, amounts shall be added to the Working Capital Fund. Additions other than those authorised by the Budget may not be made. The balance of income over expenditure for any year shall not be used for that purpose without a special resolution of the Assembly.

Article 32.—(1) The Working Capital Fund shall be administered as a separate account. As soon as a Member pays its contribution, the Working Capital Fund Account shall be immediately credited with a portion of the contribution corresponding to the ratio between the amount voted in respect of the Working Capital Fund for the year and the total amount voted for the year.

(2) The account shall be debited with the amounts withdrawn in accordance with these Regulations.

Article 33.—(1) In accordance with Article 26, paragraph (2), the Working Capital Fund is primarily applicable to meet temporarily normal requirements of regular organisations of the League which cannot be paid out of income at the time when they are due to be met. Such organisations shall have the first claim to assistance from the fund. The assistance shall be given in the form of advances from the fund to the competent officials of the organisations, and such advances shall be repaid to the fund as soon as the necessary income is available.

(2) Recoverable advances required for work undertaken by the League may be made from the Working Capital Fund if the money is not required for the regular organisations. Such advances must be authorised by a special resolution of the Council, which shall keep the Members of the League fully informed with regard to all such resolutions and advances.

(3) Repayments of recoverable advances shall be paid into the fund from which the advances were drawn pending a decision by the Assembly as to their final disposal.

Article 34.—The Secretary-General may place the Working Capital Fund, and any other funds not immediately required for use, on deposit at interest with the bankers of the League, or in other banks of internationally recognised standing, for such periods as he may consider desirable. The interest received shall be dealt with in accordance with Article 23.

CHAPTER VIII.

The Accounts.

Article 35.—The annual accounts shall consist of two parts :—

(1) A budget account showing for each item : (*a*) the original vote, (*b*) the vote as modified by any transfers which may have been approved by the competent authority, (*c*) the actual expenditure incurred.

(2) A statement of assets and liabilities as at the 31st December.

Article 36.—(1) A statement showing the position of the Working Capital Fund, based on the account mentioned in Article 31, shall be attached to the accounts as an annex.

(2) A statement showing for the past financial year (*a*) any recoverable advances made from the Working Capital Fund, and (*b*) any expenses borne on a vote for unforeseen expenses incurrable only by special resolution of a competent authority, shall be annexed to the accounts.

Article 37.—(1) The procedure prescribed in Chapter IV with regard to the Budget shall *mutatis mutandis*, apply also to the accounts.

(2) The Secretary-General shall see that the accounts and the annexes for each year reach the Commission before 1st April of the following year.

(3) The provisions of Chapter IV concerning the representation of the various organisations at meetings of the Commission and the Assembly or its Finance Committee, shall also apply to the submission and discussion of the Accounts.

Article 38.—(1) The Assembly shall finally pass the expenditure and income accounts. It may disallow any item which it may consider improper and may direct the corresponding amendment of the accounts. The accounts, with the modifications (if any) made by the Assembly, shall be adopted by the Assembly.

(2) If the Assembly disallows any item in the accounts, it shall, at the same time, decide what steps shall be taken to deal with the matter.

CHAPTER IX.

Internal Control.

Article 39.—The competent officials shall designate the officials who may incur liabilities and make payments on behalf of, or out of the funds of, the respective organisations. They shall make rules to secure : (*a*) that no liabilities are incurred or payments made except by such officials, (*b*) that no liabilities are incurred which are not provided for in the Budget, (*c*) that no payment is made for which the liability has ceased, and (*d*) generally to establish strict control enforcing observance of the rules of this Article.

Article 40.—(1) The competent officials shall make rules to ensure the exercise of the greatest economy in incurring liabilities.

(2) In all cases in which it seems to be desirable, and in any event in the case of any single purchase of supplies likely to exceed 10,000 Swiss francs in cost, tenders shall be invited by advertisement in at least two leading newspapers belonging to different countries, and in the *Monthly Summary* of the League or an official publication of any autonomous organisation concerned.

(3) The competent officials shall determine who may open and accept tenders, and make rules for guidance in accepting tenders.

Article 41.—In order to ensure economy, the competent officials shall cause an accurate record to be kept of all capital acquisitions, and of all supplies purchased and used during each year, and shall submit to the auditor, with their accounts, a statement showing the stores in hand at the 31st December, distinguishing stores purchased from capital and stores purchased from revenue.

Article 42.—(1) The competent officials shall make rules prohibiting the use of the property or the services of the League for private purposes, except with due authorisation given in the interests of the League and subject to specific regulations.

(2) Such regulations shall provide for payment, unless there is a reason to forego payment in the interest of the League, and shall contain the necessary provisions to ensure that all payments due are regularly collected.

CHAPTER X.

External Supervision.

Article 43.—(1) The provisions of the following Articles are without prejudice to the provisions of other Chapters defining the supervision exercisable by the Commission.

(2) The following Articles are without prejudice to the power of the Commission under other Chapters, where no special mention is made of the *rapporteur* or the auditor, to delegate to them powers and duties by the regulations which the Commission makes for the conduct of its business.

Article 44.—(1) The accounts of the League shall be audited by the auditor after the closing of the accounts for each year, and, in addition, three times during the course of each year.

(2) The three audits which are to be performed during the year shall be at such time as the Commission may determine, but reasonable notice shall be given in advance to the competent officials of the organisations concerned.

(3) The auditor shall report to the Commission upon each audit. The audit of the closed accounts of each year shall be completed and be submitted, with the auditor's report thereon, to the Commission not later than the 15th April in the year following.

Article 45.—The auditor shall be entitled to see, on demand, any document which is relevant to his examination of the accounts or other duties. Not later than the 10th of each month, a statement of receipts and expenditure for the preceding month shall be forwarded to him, together with the report of the Internal Control Officer.

Article 46.—For the purpose of each of the audits, the competent officials shall furnish to the auditor, at the seat of the organisation concerned, budget accounts, with vouchers, showing all receipts and payments for every completed month since the last audit down to the close of the preceding month.

Article 47.—(1) The auditor shall verify whether the receipts and payments are in accordance with the Budget and with the regulations.

(2) With respect to the payments, he shall in particular ascertain whether any sums have been paid which were not due, and whether any double or over-payments have been made.

(3) Any question which the Auditor may raise with regard to any receipt or payment, and upon which he is not satisfied by such verbal explanation as he may receive from the competent official, shall be put to such official and be answered by him in writing, and the question shall, if the reply is not satisfactory to the auditor, be placed before the Commission.

Article 48.—(1) The auditor shall include in his report upon the closed accounts for each year a statement dealing with :—

(*a*) The receipts of the League during the year.

(*b*) The amounts receivable at the 31st December.

(*c*) The amounts recoverable at the 31st December.

(*d*) The stores in hand at the 31st December.

(*e*) The liabilities at the 31st December.

(*f*) Any other items which the Commission may deem it necessary to add hereto.

(2) In addition to the reports referred to in Article 44, the auditor may, if he thinks fit, report to the Commission from time to time, and shall so report if the Commission so determines.

Article 49.—(1) After considering the reports submitted by the auditor, the *rapporteur* shall draft a general report on the accounts of each year for the consideration of the Commission. This report shall deal in detail with all matters likely to be of interest concerning the financial administration of the League during the year in question.

(2) The *rapporteur* shall at once send to the competent officials copies of the parts of his draft report relating to their organisations.

FINAL PROVISIONS.

Article 50.—(1) Rules made by the competent officials, in order to carry out the provisions of these regulations, shall be communicated to the Commission in due time before the next session of the Commission.

(2) The rules of internal financial administration hitherto in force in the various organisations shall be brought into conformity with these regulations.

Article 51.—These Regulations shall not be amended except by the Assembly acting upon the advice of its Finance Committee ; but where it is proved to the Commission that some alteration or addition is urgently required, the Commission is authorised to approve and put into temporary operation such alteration or addition, but shall report thereon to the Council and the Assembly as soon as possible for final decision by the latter.

Article 52.—The present Regulations shall come into force on the 1st January 1923.

ANNEX III.—*Report of the First Committee on the Allocation of the Expenses of the League of Nations.* (Rapporteur, *M. de Palacios, Delegate of Spain.*)

I.—SCALE OF ALLOCATION.

In accordance with the decision taken by the Assembly at its second meeting on 4th September, the First Committee has considered the report submitted by the Committee on Allocation of Expenses, presided over by M. Réveillaud, in which is set out an amended provisional scale for the allocation of the expenses of the League of Nations amongst the Member States.

The President of the present Assembly suggested, in the course of the remarks which he made when this question was referred to the First Committee, that that Committee should consult the Fourth Committee should it find it necessary to do so. After the report of the Réveillaud Committee had been read in the First Committee, and the various members of that Committee had expressed in general terms the extent to which the Governments which they represented were prepared to accept the proposals contained therein, the First Committee proceeded to the nomination of a Sub-Committee. This Sub-Committee held a number of joint sessions with a parallel Sub-Committee of the Fourth Committee appointed to collaborate with it.

This mixed Sub-Committee, whose report is annexed hereto, after hearing the statements put forward by the representatives of those Members of the League which considered that the scale proposed by the Réveillaud Committee might be further improved, suggested that the number of units which the Réveillaud Committee attributed to Japan, Sweden and Roumania should be reduced by two in each case, and the number of units attributed to Norway, Lithuania, Luxemburg, Cuba, and Venezuela should be reduced in each case by one. This reduction was rendered possible by the generous action of the Polish Delegation, which made a voluntary offer on behalf of its Government to pay 10 more units than the Réveillaud Committee had suggested, and further, by the admission of Hungary to League membership. The mixed Sub-Committee proposed that the allocation of Hungary should be four units,

The First Committee, after considering the recommendations put forward by this joint Sub-Committee, and being apprised of the fact that the Fourth Committee had no observations to make upon it, accepted the resulting scale of contributions with one dissentient voice. The scale thus adopted is as follows :—

States.	Units.	States.	Units.
Albania	1	Japan	73
Argentine*	(35)	Latvia	5—2=3
Australia	26	Liberia	1
Austria	1	Lithuania	5—1=4
Belgium	20—5=15	Luxemburg	1
Bolivia	5	Netherlands	20
Brazil	35	New Zealand	10
British Empire	95	Nicaragua	1
Bulgaria	7	Norway	11
Canada	35	Panama	1
Chile	15	Paraguay	1
China	65	Peru	10
Colombia	7	Persia	10—4=6
Costa Rica	1	Poland	25
Cuba	9	Portugal	10
Czecho-Slovakia	35	Roumania	40—9=31
Denmark	12	Salvador	1
Esthonia	5—2=3	Serb-Croat-Slovene State	35—9=26
Finland	10	Siam	10
France	95—17=78	South Africa	15
Greece	10	Spain	40
Guatemala	1	Sweden	18
Haiti	2	Switzerland	15
Honduras	1	Uruguay	7
Hungary	4	Venezuela	5
India	65		
Italy	73—12=61		

* Subject to any observations which may be made by the Argentine Government. No corresponding provision will be made in the accounts.

II.—Legal Position.

It will be remembered that last year the Second Assembly of the League of Nations passed an amendment to Article 6 of the Covenant, under which the last paragraph of that article was replaced by the following words :—

> "The expenses of the League of Nations shall be borne by the Members of the League in the proportion decided by the Assembly."

Unfortunately, the number of ratifications requisite to the enforcement of this amendment have not yet been received. Since, in the view of the First Committee, the scale set out above should replace the scale proposed by the second and third amendments to Article 6 of the the Covenant carried by the last Assembly, the ratification of these two amendments is no longer requisite. But the Committee ventures to draw the attention of the Assembly to the great desirability of an immediate ratification of the first amendment in order that a definitive scale may be established at the earliest possible date. In view, however, of the general opinion of the Members of the League of Nations that the scale of the Universal Postal Union is unjust and inequitable, the First Committee considers it imperative for the general interest of all Members of the League of Nations that some practical solution of the problem should immediately be reached, and that the recognised injustices involved by the Universal Postal Union's scale should not be continued as a result of a too rigid application of a strict interpretation of the Covenant. It therefore has the honour to submit to the Assembly the provisional solution for the year 1923 contained in the following resolutions :—

The Assembly,

Considering that it is desirable to modify as soon as possible the system of allocation of the expenses of the League of Nations among its Members and to replace the scale of the Universal Union now in force by a more just and equitable scale ;

And considering that the scale annexed to the present resolution has been recognised by general consent as establishing a more just and equitable system for the allocation of the said expenses, and that it is recognised to be desirable to secure the immediate application of this scale as a provisional measure :

Approves the application of the above-mentioned scale for the allocation of the said expenses for the year 1923.

The Assembly requests the Council to ask the Committee for the Allocation of Expenses, presided over by M. Réveillaud, to continue its researches with a view to preparing a definitive scale which may be submitted to a subsequent Assembly. The Assembly leaves it to the Council to modify the composition of the Committee as it thinks desirable.

It begs the Council to notify the Members of the League of Nations that it is no longer necessary to continue the ratification of the Amendments No. 2 and No. 3 of Article 6. voted by the Assembly of 1922, but, on the other hand, to urge them to proceed urgently to the ratification of the first amendment.

ANNEX.

Report submitted to the First Committee by the Mixed Sub-Committee instructed to examine the Réveillaud Scheme.

At the meeting held on 16th September, the First Committee instructed the Sub-Committee appointed on 6th September, and increased by the addition of two new members, to consider, in collaboration with the Sub-Committee of the Fourth Committee, the Réveillaud scheme concerning the funds of the League.

COLLABORATION WITH THE FOURTH COMMITTEE.

The first question raised concerned the decision as to whether the report of the Sub-Committee should be submitted for discussion to the First or to the Fourth Committee. In this connection reference was made to the recommendation voted by the Fourth Committee at its seventh meeting requesting the Sub-Committee it had instructed to consider the question of the allocation of expenses to draft a report in agreement with the Sub-Committee appointed for the same purpose by the First Committee. This report would be submitted to the First Committee for information and to the Fourth Committee for discussion. As some difference of opinion had arisen on this point, the Sub-Committee consulted the verbatim records of the Second Plenary Meeting of the Third Assembly, at which meeting the various committees had been set up. M. Edwards' proposal, in the form in which it was accepted by the Assembly, laid down that the First Committee (constitutional and judicial questions) should deal, among other matters, with item No. 18 on the agenda, namely, the "Allocation of Expenses.' The Fourth Committee (Financial and budgetary questions) would deal with item No. 20, namely, the "Budget, verification of accounts and the administration of the finances of the League." M. Edwards pointed out, however, that the question of the allocation of expenses included under item No. 18 might give rise to doubt. This question "could be referred to the First Committee, as it is rather of a constitutional character. Last year it was examined jointly by the First and Fourth Committees, and I have no doubt that the First Committee would consult the Fourth Committee on this matter this year if it found it necessary to do so" In view of this text, and after the Chairmen of the First and Fourth Committees had been consulted, a unanimous agreement was arrived at, to the effect that the two Sub-Committees should form a mixed committee, but that, subject to the observations which might be made by the Fourth Committee with respect to the proposed scale, the report should be submitted by the Chairman of the Sub-Committee to the First Committee for discussion.

HUNGARY'S CONTRIBUTION.

The Sub-Committee is of opinion that the contribution of Hungary, which has just been admitted to the League of Nations, must not be based solely upon the index figure obtained in the same way as for other States, as the index based upon the figures of the pre-war Hungarian budget places Hungary much too high in the scale and in no way corresponds to the real situation of this country. The Committee is therefore of opinion that the figure of five units, which is more or less empirical, appears not to exceed the amount which might reasonably be expected from this country. The Sub-Committee agreed as to the desirability of distributing the amount of these units as far as possible between all the Members of the League, and that they should not be employed in order to relieve some Members only, particularly as Poland's generous proposal through her first delegate left 19 units at their disposal, which should be favourably considered.

STATEMENTS MADE BY DELEGATES REQUESTING REDUCTIONS IN THEIR CONTRIBUTIONS PROPOSED IN THE NEW SCALE OF THE RÉVEILLAUD COMMITTEE.

The Sub-Committee next heard those delegates who wished to make a verbal statement requesting reductions in their contributions.

The Japanese Delegate stated that his Government considered excessive the sudden increase of 10 units allocated to his country, as compared with the scale adopted by the Second Assembly. In his opinion, Japan was the only country whose contribution had been so markedly increased, since the case of Australia was based upon special considerations which had been stated in the verbal report made on 6th September to the First Committee by M. Réveillaud.

Japan was at present passing through an acute economic crisis, and the Government intended to effect important reductions in its army and navy. The Japanese Delegate therefore requested that the increase might be limited to 5 units instead of 10, as had been proposed in the scale drawn up by the Réveillaud Committee.

The Norwegian and Swedish Delegates both requested that their contributions should not be altered from the figures in the scale fixed by the Second Assembly. They stated that in the new scale the units allocated to Norway had been increased from 10 to 12, and those allocated to Sweden from 15 to 20.

In the opinion of the Delegates, last year's scale had already taxed these two countries to their utmost paying capacity as compared with the paying capacity of other countries. The new proposed scheme, which was certainly less unfair than that of the Universal Postal Union would still lay an undue burden on these countries. They also pointed out that the two amendments to Article 6 of the Covenant had been ratified by their Governments, and that it was therefore very difficult to request their Parliaments to reconsider this question, especially when a new increase of credits was involved.

The Lithuanian Delegate pleaded the devastated condition of his country, and requested the same treatment as that accorded to the two Baltic States.

The Luxemburg Delegate requested that his country should be placed in the last category, as it was by far the smallest of all the Members of the League and its finances were at present in a very unsatisfactory condition.

The Roumanian Delegate emphasised the sufferings of his country during the war, the devastations which had been committed, and the financial difficulties arising from the transfer to Moscow of the gold reserve and of all securities. He left to the Committee the task of deciding what reduction it could grant Roumania.

The Cuban Delegate asked the Committee to grant a reduction of three units. In support of his request he advanced certain figures showing that the situation of his country was at present most unfavourable. It had passed through the most serious economic and financial crisis as a result of the considerable decrease in the sugar exports, which constituted its principal source of wealth.

The Hungarian Delegate asked the Committee to fix the contribution of his country at one unit. In support of his request he put forward the charges resulting from the Treaty of Trianon as well as the financial and economic difficulties of his country caused by the great depreciation in its currency.

The Persian Delegate stated that when Persia was about to join the League, she enquired what her contribution would be and was told that it would be between 100,000 and 125,000 gold francs. Persia has always paid this amount and was willing to continue to do so. As he had received very precise instructions on the subject, he could not possibly agree to a contribution of more than 125,000 gold francs, but he would not fail to explain the position to his Government and to use his influence to induce his Government to agree to the new allocation scheme.

Proposal made by the Sub-Committee on the Reductions to be granted.

The Sub-Committee, after having examined the foregoing requests, shared M. Réveillaud's view that there were, in any case, three countries at least whose claims were undoubtedly justified. It therefore unanimously proposed that Lithuania should be granted a reduction of one unit in view of the devastation which that country had suffered. On the other hand, the Sub-Committee considered that the figure of four units was not excessive compared with the three units of the two Baltic States, whose population was much smaller. The Committee proposed a supplementary reduction of two units to be granted to Roumania and a reduction of one unit to Luxemburg, which would thus be placed for the time being in the last category.

After a full discussion on the advisability of granting reductions in respect of the contributions of certain other countries, the Committee proposed a reduction of one unit for Cuba and Venezuela. As regards Japan, Sweden and Norway, after some discussion, the Committee, wishing to reconcile the various opinions and to remove the remaining difficulties, finally decided to support M. Réveillaud's proposal to reduce Japan and Sweden by two units and Norway by one. The Japanese and Swedish representatives, both of whom were members of the Mixed Committee, finally gave their personal approval to this reduction, which involves an increase of eight units for Japan and of three units for Sweden as compared with the scale adopted last year. In the same spirit the Committee has finally decided to propose a reduction of one unit for Persia and of one unit for Hungary, which would thus contribute four units only.

The reductions proposed by the Committee were therefore as follows:—

	Units.		Units.
Japan	2	Cuba	1
Sweden	2	Venezuela	1
Roumania	2	Persia	1
Norway	1		—
Lithuania	1	Total	12
Luxemburg	1		—

As this figure of 12 units exceeded the number of units available in consequence of the offer made by Poland, the Sub-Committtte proposes that two units should be taken from the four units proposed for Hungary, reserving the remaining two units in favour of all the other Members of the League in accordance with the wish expressed above.

The Sub-Committee, having been notified of the resolution taken by the First Committee at its ninth meeting, namely, that the number of units allotted to the Argentine Republic should be fixed, suggested the number of 35 for the new scale proposed with the reservation defined in the resolution in question.

The Sub-Committee further recommends that the units for each country be published in the same manner as was adopted in the report of the Allocation Committee, but that the units for Italy be changed from 75 − 14 = 61 to 73 − 12 = 61.

ADDENDUM.*

Point of Order opposed by India to Discussion of the Report of the Committee on Allocation of Expenses. Report by Sub-Committee I. (Legal Committee).

The Committee was instructed to consider and report on the preliminary objection raised by the Indian and Venezuelan representatives to the consideration by the First Committee of the report, dated 4th July 1922, of the Committee on the Allocation of Expenses (known as the " Réveillaud " Committee).

The objection is based on Rule 4, para. 5, of the Rules of Procedure of the Assembly. These rules are applicable to proceedings of committees of the Assembly. Rule 4, para. 5, says that no proposals for the modification of the allocation of expenses for the time being in force shall be inserted in the agenda unless it has been communicated to the Members of the League at least four months before the date fixed for the opening of the session.

The Committee has had three meetings, at one of which Sir Sivaswamy Aiyar, representative of India, was present and explained in detail his point of view. After hearing these explanations and considering all the material at its disposal, the Committee has the honour to submit the following report :

Rule 4, para. 5, of the Rules of Procedure was adopted by the Second Assembly on 5th October 1921. The origin of this rule is shown by the records of the Fourth Committee of the Second Assembly. It was part of the new scheme worked out by that Committee for the allocation of the expenses of the League on a more satisfactory basis than the scale laid down in the Postal Union. The central idea of this new scheme was to confer upon the Assembly the right to determine the allocation of expenses. *See* Amendment I. to Article VI. adopted on 5th October 1921 : "The expenses of the League shall be borne by the Members of the League in the proportion decided by the Assembly.") In order to protect the States Members of the League against sudden modifications of the table of distribution, it was decided that no proposal for the modification of the allocation of the expenses was to be inserted in the agenda unless it had been distributed to the Members four months before the meeting of the Assembly. But in order not to encumber the Covenant with a rule of mere procedure, it was at the same time decided that the provision should not figure in the above amendment but should be put in the Rules of Procedure of the Assembly.

The Sub-Committee feel that it is unfortunate that the Fourth Committee of the Assembly, in giving to its proposals partly the form of an amendment to the Covenant and partly that of an amendment of the Rules of Procedure of the Assembly, did not realise that the Assembly itself could modify its Rules of Procedure and that the modification would come into force immediately upon its adoption, whereas the amendment of the Covenant could not become operative until after the expiry of several months when the necessary ratifications had been obtained. Nothing was inserted in the text of the new Rule of Procedure as adopted in 1921 to indicate that it was intended only to apply as and when the Assembly had secured the control of the allocation of the expenses of the League; and in these circumstances some members of the Sub-Committee feel it impossible to report that this rule—Rule 4, para. 5—does not apply to the agenda of the present Assembly.

It is, on the other hand, clear to the Committee that the Second Assembly was definitely of opinion that any further report made by the Réveillaud Committee should be discussed at the Assembly of 1922, for they find in the report of Sir Rennell Rodd, presented in the name of the Fourth Committee to the Assembly, and accepted by it, the following passage :—

> "The Fourth Committee then decided that all other proposals for modification of the scale of allocation and the memoranda submitted in support of them should be referred to the expert Committee for investigation in connection with the revised scheme which it is to prepare. It will, of course, be open to this Committee to hear the representatives of such countries as desire to express their views and to present any results which are ready in time to the Assembly of 1922."

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* This report was not annexed to the report of the first committee to the Assembly.

It will be remembered that the Assembly adopted the earlier scheme of the Réveillaud Committee as a provisional scheme only and passed the following resolution :—

> "The Assemby, recognising that the proposals of the expert Committee (A, 40, 1921) are still susceptible of improvements and adjustments after a more exhaustive investigation of the data, recommends that this Committee, so ably presided over by M. Reveillaud, be re-appointed by the Council to continue its work and, after taking account of the various factors not yet fully examined, to submit a further report indicating such modifications of the allocation provisionally accepted as it may deem equitable."

In view of the passages quoted above it is clear that it would not have been in accordance with the wishes expressed at the Assembly of 1921 that the discussion of the new Report of the Réveillaud Committee should be postponed until the Assembly of 1923, and the Committee is of opinion that the Secretary-General acted wisely in inserting in the agenda the item "Allocation of the Expenses of the League," though it would have been more correct to treat the item as inserted under 2 (*c*) ("Items ordered by the Assembly") than under 2 (*d*) ("Items proposed by the Council").

The above conclusion does not, however, absolve the Committee from advising on the legal question referred to it, viz., whether Rule 4, para. 5, prevents the First Commission from considering the new report of the Réveillaud Committee dated 4th July 1922.

It will be observed that Rule 4 deals exclusively with the framing of the agenda. It does not deal with the discussion either in the Assembly or in Committee of the tems included in the agenda. The agenda was circulated in its revised form on 1st September 1922, was brought before the Assembly in its Second Plenary Session on 4th September for adoption, and was then adopted unanimously. In the text of the agenda as circulated on st September, reference was given to the Assembly Documents relating to the particular items, and as regards Item 8 (Allocation of the Expenses of the League), there is a reference to "Document A. 6," which is the report of the Réveillaud Committee dated 4th July.

In these circumstances the Committee is of opinion that the Members of the Assembly had notice when they adopted the agenda and referred Item 18 to the First Commission that the question being referred to that Committee for consideration was the Réveillaud Report Any objection to the insertion of this item in the agenda should, therefore, have been taken at the meeting of the Assembly. The unanimous adoption of the agenda by the Assembly cures any irregularity which there may have been in connection with the insertion of the item.

The Committee is. therefore, of opinion that there is no objection to the consideration of the Report in question by the First Committee.

ANNEX IV.—*Report by First Committee on the Contribution of the State of Salvador to the Expenses of the League.* (Rapporteur, *M. Struycken.*)

The First Committee appointed a Sub-Committee to examine the various legal questions raised by Salvador in regard to its contribution to the League.

The Sub-Committee consisted of : MM. F. J. Urrutia,* Sir Cecil Hurst, A. H. Struycken, G Noblemaire (who was replaced by M. Réveillaud) and H. Rolin.

M. Struycken was appointed *Rapporteur.*

The Sub-Committee presented the annexed report to the Committee.

As the result of the discussions which took place in the Committee, the following resolution was adopted :—

"The Committee proposes to the Assembly that the report which it has received from its Sub-Committee on the claim of Salvador be transmitted without discussion to the Council of the League, together with copies of the procès-verbaux of the Committee and of the discussions which have taken place within it, in order that the Council may take such action in the matter as it considers appropriate."

REPORT BY THE SUB-COMMITTEE.

By various communications addressed to the Director of the International Labour Office and to the Secretary-General of the League of Nations, the Minister for Foreign Affairs of the Republic of Salvador has raised certain important questions concerning the contributions of that country to the expenses of the League of Nations.

These questions relate—

(1) To the expenses of the International Labour Organisation.

(2) To those expenses of the League of Nations which are not in a strict sense connected with the working of the Secretariat.

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* M. Urrutia was prevented by the numerous duties resting upon him as the sole delegate of Colombia at the Assembly from taking part in the discussions of the Sub-Committee.

(1) In regard to the expenses of the International Labour Organisation, the Government of Salvador declares that not having signed the Treaty of Versailles which created the Organisation, it does not consider itself as obliged to contribute to the expenses which it involves. The simple fact that Salvador has acceded to the League of Nations does not, in the opinion of its Government, oblige it to bear its part of such expenses.

It is true that there is no clause in the Covenant expressly imposing upon Members of the League the obligation of contributing to the expenses of the Labour Organisation. The Treaty of Versailles, of which the Covenant forms an integral part, stipulates, however, in Article 387 that the original Members of the League of Nations shall be the original Members of the Labour Organisation, and that hereafter membership of the League of Nations shall carry with it membership of the said Organisation; and, furthermore, Article 392 of the same Treaty provides that the International Labour Office shall be established at the seat of the League of Nations as part of the organisation of the League. Finally, Article 399 determines that, with the exception of certain expenses mentioned in the first paragraph of the Article, all the expenses of the International Labour Office and of the meetings of the Conference and of the Governing Body shall be paid to the Director by the Secretary-General of the League of Nations out of the general funds of the League.

The above provisions show that the Treaty of Versailles has created very intimate relations between the League of Nations and the Labour Organisation, and, in particular, that it has from the start imposed upon the former the obligation of paying the expenses of the latter.

The Treaty of Versailles is the international instrument from which the League of Nations springs. The coming into force of the Treaty simultaneously established the League and placed it under the obligations defined in Part XIII. of the Treaty as regards relations with the International Labour Organisation.

The obligation to bear the expenses of the Labour Organisation was, therefore, constituted a fundamental obligation of the League of Nations by the instrument which gave the latter being, and is an obligation incumbent upon it from its birth, that is to say, from the date of the coming into force of the Treaty of Versailles. The legal situation thus created is not merely binding upon the Members of the League of Nations who were parties to the Treaty of Versailles, but also binds with equal force States which, under Article 1 of the Covenant and its Annex, were invited to accede to the Covenant without reservation and accepted this invitation after the coming into force of the Treaty. Salvador is one of the latter States.

The Treaty of Versailles once in force, and the League of Nations once established, States which were not parties to the Treaty could not accede to the Covenant, could not become Members of the League, without becoming Members of the League as it was constituted at the moment of their accession, that is to say, bound by the relations and subjected to the obligations specified by the Treaty, and in particular those contained in Part XIII. concerning the Labour Organisation.

In the same manner as, in private life, a member who attaches himself to an existing association cannot refuse to recognise obligations of the association which existed before he joined, even if such obligations are not formulated in its statutes, so a State which without reservation becomes a Member of the League of Nations cannot dispute obligations resting upon the League before the State's accession, and can the less do so in the present case in view of the circumstances that it is a question of obligations under the burden of which the League was born, and that Salvador has by its accession acquired the quality of an original Member of the League.

It appears, moreover, from the facts set out below, that it is in the above sense that accession to the Covenant has been and was bound to be understood by all the Members of the League of Nations.

Even before the coming into force of the Covenant, all the Allied and Associated States who signed the Treaty of Versailles, and all the Powers mentioned in the Annex to the Covenant as entitled to accede to the Covenant, were convoked by the President of the United States to the first meeting of the annual Labour Conference provided for by Part XIII. of the Treaty.

The notice of convocation, which was issued in virtue of Article 424 of the Treaty, was in the following terms :—

> "The President of the United States, in accordance with the provisions of Part XIII. of the Peace Treaty between the Allied and Associated Powers and Germany, signed at Versailles on 28th June 1919, and under authority vested in him by Congress, hereby convenes the first meeting of the annual Labour Conference, to assemble in Washington at noon on the 29th day of October 1919. The Government of the United States extends to each nation which is, or which prior to said meeting shall become, a Member of the International Labour Organisation as defined in Article 387, an invitation to send its delegates and other representatives to Washington for the purpose of attending such Conference."

The very terms of this invitation show clearly that the States were invited in the indivisible capacity of Members of the League of Nations and Members of the Labour Organisation, for Article 387, to which the invitation refers, is the provision which gives to a Member of the

League of Nations the quality of a Member of the Labour Organisation. Moreover, the invitation is based on Part XIII. of the Treaty of Versailles, and this circumstance shows that the provisions of the Treaty relating to the League of Nations were considered to be obligatory upon its Members.

In response to the above invitation, both the States which signed the Treaty of Versailles and the States invited to accede to the Covenant met at Washington on and after 29th October 1919, and pursued their deliberations in accordance with the provisions of Part XIII. of the Treaty.

Among these States was Salvador, whose representative, M. Salvador Sol, Envoy Extraordinary and Minister Plenipotentiary at Washington, took part in the meetings of the Conference.

By the above action both Salvador and all the other States attending the Conference recognised the legal relationship between the League of Nations and the Labour Organisation, even before the Treaty of Versailles came into operation.

The Treaty of Versailles came into force on 10th January 1920. Two days later, the President of the Peace Conference despatched to the Prime Ministers of the States mentioned in the Annex to the Covenant as "States invited to accede to the Covenant" a telegram informing them of this fact and inviting them to accede to the Covenant within the two months following the coming into force of the Treaty; and a certified true copy of the Treaty of Versailles was transmitted to their diplomatic representatives at Paris.

Even if it had not previously possessed such knowledge, none of the States in question could thereafter be ignorant of the text of the Treaty of Versailles and the relations which it established between the League of Nations and the Labour Organisation, or of the financial liabilities resulting therefrom for the League.

All the invited States accepted the invitation by a declaration deposited with the Secretariat of the League. The declaration made by Paraguay and Spain alone expressly mentioned the Labour Organisation. The other declarations expressed merely accession without reservation to the Covenant of the League of Nations. The Government of Salvador made such a declaration on 10th March 1920.

Thenceforward, all the States which acceded to the Covenant have considered themselves as being, in virtue of this fact, Members both of the League of Nations and of the Labour Organisation, and they have all recognised the obligatory character of Article 399 of the Treaty of Versailles which binds the League of Nations to pay the expenses of the Labour Organisation.

The Minister for Foreign Affairs of Salvador, alone, by a letter of 26th June 1920, addressed to the International Labour Office, declared that his Government, although it acceded to the Covenant of the League, which forms an integral part of the Treaty of Versailles, could not consider itself as bound by the Treaty, but merely as bound by the provisions contained in the Covenant, and that in consequence it did not feel itself obliged to respond to the invitation of the Labour Office to fulfil the duties imposed by Article 412 of the Treaty.

To this unexpected reservation, which in any case was difficult to reconcile with the fact that Salvador had been represented at the first Session of the Labour Conference in 1919, the Labour Office replied by a letter of 28th September 1920, giving reasons to show that Salvador was bound, like all the other Members of the League of Nations, to discharge the obligations imposed by Part XIII of the Treaty of Versailles.

The Government of Salvador did not reply to this letter.

Shortly afterwards there was held at Geneva the first session of the Assembly of the League of Nations, at which Salvador was duly represented.

In its discussion and resolutions, the Assembly constantly adopted the view that the provisions of Part XIII. of the Treaty of Versailles were binding upon the League without any reservations or restriction.

In particular no one—and to this the delegation of Salvador was not an exception—ever questioned in any way that the League of Nations, under Article 399 of the Treaty, was obliged to bear the expenses of the International Labour Organisation.

In the report on the work of the Council of the League, which was presented to the first session of the Assembly, the legal relations between the League of Nations and the International Labour Organisation were indicated in the following terms:—

> "The Council has recognised the International Labour Organisation as constituted by the first Labour Conference held at Washington in November 1919, and has affirmed the principle of a close co-operation between the International Labour Office and the Secretariat.
>
> "Articles 398 and 399 of the Treaty of Versailles define the relations between the International Labour Office and the Secretariat. The Secretary-General is to give his assistance to the Labour Office so far as is in his power, and the expenses of the International Labour Organisation are to be included in the budget of the League and paid to the Director of the Labour Office by the Secretary-General."

In the discussion which took place upon this report, the statement quoted gave rise to no objection or observation on the part of any of the Members of the Assembly, not excepting Salvador.

In the first three budgets of the League, which correspond respectively to the periods 5th May 1919 to 30th June 1920; 1st July to 31st December 1920, and the year 1921, provision is made for the expense of the International Labour Office. These budgets were voted upon and adopted unanimously by the Assembly without any objection on the point being raised by any delegation. The delegation of Salvador raised no objection and did not vote against the budgets in the form in which they were presented to the Assembly.

It follows from the above facts that all Members of the League of Nations, including Salvador, have implicitly recognised the legal duty of the League to pay the expenses of the International Labour Organisation, in accordance with the provisions of Article 399 of the Treaty of Versailles.

It was not until 10th May 1921 that the Minister for Foreign Affairs of Salvador, in a letter addressed to the Secretary-General of the League of Nations, took exception to the inclusion of these expenses in the budget of the League. The inclusion of the expenses being legally obligatory and having been affirmed to be so by all Members of the League of Nations, including Salvador, the Government of Salvador cannot now raise objection either in regard to previous financial periods or future financial periods of the League.

(?) As regards those expenses of the League of Nations which are not in a strict sense connected with the working of the Secretariat, the Government of Salvador, in its letter to the Secretary-General of 10th May 1921, relies upon the provisions of the fifth paragraph of Article 6 of the Covenant for the purpose of contesting the duty of Members of the League to contribute to such expenses.

The provisions in question are :—

"The expenses of the Secretariat shall be borne by the Members of the League in accordance with the apportionment of the expenses of the International Bureau of the Universal Postal Union."

It is difficult to understand why the Covenant mentions only the expenses of the Secretariat when dealing with the distribution of expenses. At the same time the restricted expression employed in the Covenant cannot be an obstacle to the application of the general principle, a principle applicable to all associations, that legally incurred expenses of an association must be borne by all its members in common.

Article 24, paragraph 3, of the Covenant, under which the Council may include as part of the expenses of the Secretariat the expenses of any bureau or commission which is placed under the direction of the League, is in itself sufficient to show that the Covenant did not intend to exclude from the expenses of the League charges which were not expenses of the Secretariat.

The Government of Salvador alleges that the circumstance that the expenses mentioned in paragraph 3 of Article 24 are included in the expenses of the Secretariat does not imply that they are chargeable to all the Members of the League; but this view is incompatible with the clear and precise text of Articles 6 and 24 of the Covenant.

It is, moreover, certain that, from the beginning of its existence, the League of Nations has given to the provisions of the Covenant the broad and reasonable interpretation set out above.

This is abundantly evident from the discussion and votes of the Assembly of 1920 (at which Salvador was represented) upon the first three financial periods of the League, as well as from the discussions of financial questions which have taken place during later sessions of the Assembly.

In all the budgets have been included expenses of a different character from expenses of the Secretariat, and no delegation has ever objected to this procedure.

It follows that Salvador, having raised no objection to the first three budgets which were unanimously voted by the Assembly of 1920, must be considered to have made herself without reservation a party to the interpretation of the Covenant which was the basis of such votes.

It should also be noted that Salvador is shown as a debtor to the extent of 1,945*l.* in a list of contributions paid by or due from the various Members of the League for the expenses of the period down to 30th June 1920, which was distributed to the Members of the Assembly of 1920, as well as in the balance sheet for the same period, which was distributed in the same manner, and that she made no objection.

Furthermore, the Rules of Procedure of the Assembly were unanimously adopted by the First Assembly, and no delegation, not excepting that of Salvador, offered the slightest opposition to the general language of Article 4 (*f*) which includes as an obligatory item in the agenda "the Budget for the next fiscal period and the report on the accounts for the last fiscal period," general terms which comprise all the expenses of the League.

For the above reasons it appears that the Government of Salvador having accepted in the manner described the just and equitable interpretation of the Covenant by which all the Members of the League are to contribute to all its legally incurred expenses, cannot be entitled to refuse to pay its share of such expenses determined in accordance with the principle of Article 6, or such other principle as may be substituted therefor.

In his letter of 10th May 1921, the Minister for Foreign Affairs of Salvador remarks that some of the expenses of the League of Nations do not interest all its Members in the same degree, but are incurred rather for the particular advantage of certain Members. He infers that it would be inequitable to charge such expenses to all the Members of the League, including those which do not benefit by them.

This is an observation as to a matter of fact which is certainly interesting and which has, moreover, already led to various proposals, both in the Council and in the competent Committees of the League. It raises a question which it seems ought to be given a satisfactory solution at an early date, but it cannot modify the legal point of view upon which this Sub-Committee bases its conclusions.

CONCLUSIONS.

The Sub-Committee is of opinion—

(1) That the expenses of the Labour Organisation as determined by Article 399, paragraph 2, of the Treaty of Versailles, should be included among the expenses of the League and be borne by all its Members, including Salvador, in the proportions established by Article 6 of the Covenant.

(2) That the expenses of the League which fall to be borne by all its Members are not limited to such expenses as are connected in a strict sense with the working of the Secretariat, but include all expenses legally incurred by the organs of the League and inscribed in its annual Budget as voted by the Assembly, and that Salvador cannot consequently refuse to pay its appropriate share of such expenses.

ANNEX V.—*Report by the Second Committee on the Work of the Finance and Economic Committee.*

(A.)—REPORT ON THE WORK OF THE FINANCIAL COMMITTEE.

[*Rapporteur*: M. Holsti (Finland).]

A year ago, when the eminent Chairman of the Economic and Financial Committee, M. Gustave Ador, presented to the Assembly the report of the Second Committee upon the Economic and Financial Organisation of the League, he reminded the Assembly how profoundly troubled was the economic situation of the world at that time, and he pointed out how the work of the Economic and Financial Committee had been rendered difficult on this account.

The present year, in considering the report of the Financial Committee, the Second Committee has been deeply impressed throughout its discussions by the fact that this grave situation still continues. The Financial Committee has itself drawn attention to the violent changes and the extreme uncertainty which have characterised the financial condition of the world during the past 12 months, and the Second Committee has fully appreciated how difficult it has been for the Financial Committee to achieve successful results in these circumstances. For this very reason the Second Committee appreciates all the more the readiness with which the distinguished members of the Financial Committee have devoted their time and their special abilities to the service of the League of Nations.

The distinctive task of the Financial Committee is to maintain the essential value of the resolutions of the Brussels Financial Conference and to promote their application. The principles embodied in these resolutions have since been confirmed by the Second Assembly and again endorsed by the Genoa Conference. The very evils from which the financial and economic activities of the world are suffering require, as one of their fundamental remedies, the application of these principles.

The Second Committee has noted the extent to which the Financial Committee has tried to assist in putting these resolutions into practice in different cases. It trusts that the Financial Committee, while remaining, in the future, as in the past, strictly respectful of the sovereign independence of the States Members of the League, will continue to do its utmost to recommend and promote the application of the principles of sound finance.

The financial and economic publications already undertaken are a valuable contribution to this work. The Second Committee recommends that they should be continued and, within prudent limits, extended, so as to throw light upon the more important aspects of national and international finance.

In addition to the promotion of sound financial principles, which the Financial Committee rightly regards as its constant duty, the Committee has been chiefly occupied with rendering advice to the Council on various specific questions which have called for its attention. At the

request of the Council, the Committee has examined the possibility of rendering technical assistance to the Albanian Government. In agreement with that Government, the Committee has examined the economic and financial situation of Albania and is about to publish a report by a distinguished economic expert. This is the first comprehensive statement on the resources and the economic possibilities of Albania. In agreement with the Albanian Government, moreover, the Committee is about to propose the nomination of a financial adviser who should render great assistance to that Government in the difficult tasks with which it is certain to be faced in the organisation and consolidation of the new State. The Assembly will note with pleasure that the interest which the League of Nations has shown in the affairs of Albania is being continued in this practical manner.

Another problem with which the Committee has dealt is the finances of the Free City of Danzig. At the request of the Council, the Financial Committee examined this problem, and its report has led to a recommendation to the Reparations Commission to take into early consideration the possibility of modifying the claims upon Danzig arising out of the Armistice and the Treaty of Versailles. The Financial Committee has continued its investigations in order to examine the grave problem created for the Free City by the continued depreciation of her currency. It has come to the conclusion that Danzig would benefit greatly if the existing currency could be replaced by a sound and stable money, and it has made recommendations to the Free City which should contribute to this result.

Another action has been undertaken by the Financial Committee in connection with the loan raised by the Czechoslovak Government. At the request of that Government and with the approval of the Council, the Committee has undertaken, if required, to act as arbitrator in the event of certain questions arising in regard to the loan which that Government has recently contracted abroad.

Perhaps the most important of the problems with which the Committee has been occupied is the restoration of the finances of Austria. It will be remembered that at the time of the last Assembly, the plans of the Financial Committee were held in suspense by certain difficulties which it was beyond the power of the League of Nations to remove. Since that time, the Financial Committee has lost no opportunity of showing its sympathy for the condition of Austria and its desire to assist in remedying this situation by any means in its power. Most regretfully the Second Committee has to recognise that a year has passed without any scheme of assistance for Austria being put into operation. The Financial Committee is at present advising the Council upon the grave problem which has recently been submitted to it, and it is devoutedly to be hoped that it will assist in promoting a complete and enduring solution of the difficulties of this unhappy country.

The Second Committee sees in these varied activities of the Financial Committee evidence of the extent to which the finances of different countries may derive benefit from the existence of an impartial international body of experts. It trusts that the Committee will hold itself ready in the future to continue to collaborate with the Government of any State Member of the League of Nations for any of the different questions which may be submitted to it.

There are also certain questions involving the relations between several Governments, with which the Financial Committee has occupied itself. They include such matters as Double Taxation, the Flight of Capital, Evasion of Taxation, Lost, Stolen or Destroyed Securities. In the matter of Double Taxation and the questions related to it, solutions have not yet been recommended, but the Financial Committee has recently taken action with a view to promoting a more rapid and practical handling of the question. The Second Committee considers that there may be other financial questions of international importance for which solutions might possibly be found through the intermediary of the Financial Committee, and it recommends that the Committee should take into serious consideration any practical proposals for action in such matters. Moreover, the Committee considers that there is a special group of questions — namely, those connected with the problem of stabilising the currencies of the world — which it will be useful even at the present time to examine with some care. Although it may prove that the final solution of these questions must depend upon the solution of even greater financial problems, such as those of inter-governmental indebtedness, the Second Committee considers that their study might usefully be undertaken without delay. It trusts that the Financial Committee will be able in this manner to produce reports which will throw light on the various aspects of the currency problems with which the world is confronted, and it considers that the Committee should accumulate such information as will contribute to this end.

On several occasions for instance by M. Löfgren, Delegate of Sweden, the attention of the Second Committee has been called to the resolution which the Third Committee unanimously adopted on 21st September, with a view to a general solution of the reparations problem and the problem of inter-Allied indebtedness. Even before this, the Financial Committee had laid special emphasis on the gravity and urgency of these questions, and it was solely out of consideration for the important deliberations and resolution of the Third Committee that the Second Committee confined itself to declaring its lively satisfaction with this resolution, which may be expected to have the most beneficial consequences, and expressed the conviction that the Economic and Financial Organisation will be ready always to lend its assistance in the event of the League of Nations being called upon to collaborate in the solution of the great problems referred to in the resolution.

The recommendations which this report attempts briefly to explain are to be found in Nos. 1, 2 and 3 of the resolutions proposed to the Assembly by the Second Committee.

(B.)—Report on the Work of the Economic Committee.

(*Rapporteur* : The Jonkheer van Eysinga.)

The work of the Economic Committee, on which I have to report to you on behalf of the Second Committee, has been devoted in the main to the great object the attainment of which by the League of Nations is contemplated in Article 23 of the Covenant, namely, equitable treatment of commerce. There is no need to remind you that, if the present situation of the economic world still leaves much to be desired, the reason is simply that at present commerce is not yet being universally carried on under conditions which may be regarded as equitable.

As you are aware, the equitable treatment of commerce is impossible without equitable freedom of communications. Your Communications and Transit Organisation has, therefore, already dealt with certain aspects of the problem.

How has the Economic Committee approached the problem on the solution of which largely depends the restoration of economic conditions on the broad lines suggested in the Covenant? We may here record that the eminent men who have been good enough to devote their great learning, their experience and their time to the service of the League of Nations, and to whom our thanks are due, have followed the path which will lead most surely and expeditiously to practical results. The Economic Committee has begun by attacking the problem from the side on which the difficulties, though considerable, appear susceptible of removal in the near future.

The Economic Committee has accordingly considered what measures might be taken by the world against unfair competition, customs formalities which do not satisfy the demands of equity, the faulty regime as regards foreign persons and organisations duly authorised by law to exercise their trade or profession within a country, and the exercise of an unjust discrimination against foreign goods and vessels. To these contributions to the realisation of the aim of Article 23 (*e*) of the Covenant must be added the question of dumping and differential prices, the facilities under private law which might be introduced into international commerce by the insertion of an arbitration clause in commercial contracts and the international regulation of bills of exchange. Finally, the attention of the Economic Committee has been devoted to the measures to be taken for the standardisation of economic statistical methods.

I should like to dwell for a moment on some of these problems.

With regard to the unfair competition which is mentioned in Resolution 4, paragraph (*b*), the Economic Committee, with the approval of the Council, has once more given proof of its whole-hearted support of the principle which should govern all the work of the League of Nations—that of the necessity of avoiding overlapping. The measures relating to unfair competition which are proposed by the Committee and embodied in the Report which you have already seen, and merely designed to form a basis for discussion at a Conference on Industrial Property, to be held under the terms of the Washington Convention of 1911, a Conference in which all the Powers members of the Union for the Protection of Industrial Property will take part.

Mention should be made here of the fact that M. Zumeta, Delegate of Venezuela, drew the attention of the Committee to the harm caused to fair and legitimate commerce through the manufacture and sale of products which, though not infringing the regulations governing trade marks and patents, are nevertheless a form of fraud, owing to the various devices intended to disguise their real nature. The Committee considers that the Economic and Financial Committee might examine this form of unfair commerce and also the most suitable methods of suppressing it.

With a view to the suppression of all Customs and similar formalities which are inadequate from the point of view of equity, the Economic Committee has planned a Conference of Technical Advisers in practical questions relating to Customs, a Conference which is provided for in Resolution IV. (*c*). The Committee has prepared a preliminary draft which shall take the form either of a convention, a declaration or a recommendation. I would recall the fact that the Advisory and Technical Committee on Communications and Transit has dealt with the communication side of this question. The same applies in the highly important question of unjust discrimination, while that concerning foreign undertakings and nationals (*see* Resolution IV. (*d*)) is still under consideration.

The Council has already adopted the idea of applying to the Governments of the States Members of the League of Nations with a view to the adoption of certain resolutions referring to the arbitration clauses in commercial contracts. In the meantime, the kindred problem of the execution in one country of the judgments and awards of the tribunals pronounced in other countries shall be submitted to judicial investigation.

With regard to international regulations for bills of exchange, preliminary investigations and measures have been provided for, in collaboration with the Netherlands Government, which took the initiative at the Conferences in 1910 and 1912,

In conclusion, the question of the standardisation of economic statistical methods, advocated by the Genoa Conference, is to form the object of an enquiry on the part of the Economic Committee in collaboration with the International Statistical Institute. Here again the policy of the Economic Committee is to avoid all overlapping. The Second Committee has noted with keen satisfaction this prudent line of conduct, and has expressed its conviction that the Economic and Financial Organisation will continue, should occasion arise, to co-operate in all branches of its activity with other organisations already dealing with the subjects in question.

The few observations which I have had the honour to lay before you show that the work of the Economic Committee constitutes a practical starting point, inasmuch as it consists in adopting such measures as may most easily be carried out. The report submitted to the Assembly by the Committee will prove that the latter would be the first to admit that the extensive investigations which it has already begun, and that the measures which it has already adopted or which it is at present proposing, cannot as yet be regarded as a complete realisation of the essential requirements with regard to the equitable treatment of commerce. I am in a position to state that the Assembly will voice the convictions of the Economic Committee if it expresses the hope as set out in Resolution IV. (*e*) that the investigations which have already been successfully initiated will be extended and pursued uninterruptedly, so that the principle of equitable treatment of commerce may be applied as widely and as speedily as possible.

This ideal will only be realised when international trade is carried on as if frontiers between nations no longer existed. All our efforts must be directed towards this still distant ideal.

M. Löfgren, Delegate of Sweden, reminded the Committee of the Resolution which the General Labour Conference had adopted in 1921 as regards the national and international aspects of the problem of unemployment; this resolution provided in this important matter for co-operation between the International Labour Office and the Economic and Financial Organisation. With a view to facilitating this co-operation, the Second Committee proposes to the Assembly the adoption of Resolution VI.

I desire to add a few words regarding Resolution VIII., dealing with the present provisional form which the Council desires, for the time being, to retain for the Economic and Financial Organisation. This provisional form has, moreover, been successfully tested, and it has the great merits of an elasticity which enables it to meet the very varied demands which have already been made upon it in the past, and which it may again be required to meet in the future, under the able chairmanship of M. Ador. There is nothing to prevent the two Committees from appointing Sub-Committees for specific tasks, and they are also free to combine forces should the need be felt. It may also be pointed out that the Economic and Financial Committee and the Committee for Communications and Transit have already co-operated with successful results. I believe that what I venture to call the "provisional elasticity," which is a feature of the organisation of our institution, specially qualifies it to accomplish with excellent results all the work which it may be called upon to perform, perhaps in the near future.

(C.)—Resolutions.

The Second Committee has the honour to propose to the Assembly the adoption of the following resolutions*:—

I.—The Assembly notes with satisfaction the services which the Financial Committee has rendered to the Council in its several tasks, notably in regard to the finances of Danzig, the technical aid to be given to Albania and the restoration of the financial condition of Austria. Assembly Resolution No. 26 (28th Sept. 1922).

It highly appreciates the activities of the Committee, and it hopes that the Committee will consider practical proposals on all specific subjects which, in present conditions, might be ripe for solution by collaboration between States, and that the Committee will pursue its enquiries on practical lines, so as to arrive at positive results.

It hopes that the study of the various questions connected with the stabilisation of currencies, and in particular of the foreign trade balance and balance of payment of various States, which is an essential element of the question, will be actively pressed forward so as to lead to the publication of reports which will throw light on this problem, which is one of urgent importance.

II.—The Assembly has again had its attention drawn to the persistent gravity of the financial dislocation and its increasingly serious effects upon the commercial and industrial structure of the whole world. It reiterates its belief that an essential part of the remedy for these evils is the application of the rules of finance laid down at the Brussels Financial Conference and recently endorsed at the Genoa Conference. It invites the Financial Committee to renew the enquiries which it undertook last year on the progress made in the application of these resolutions by various Governments. It also invites the Committee to investigate, with a view to effective results, and in collaboration, formal or informal, with the Governments

* Unanimously approved by the Assembly.

concerned, all practical proposals which may be made for the completest possible application of the principle of sound finance which these resolutions embody.

III.—The Assembly, appreciating the advantages which may flow, for the finances of various countries, from the disinterested assistance of an impartial international body of experts, invites the Financial Committee to hold itself at the disposal of the Governments of the States Members of the League, and to render them the assistance in its power for such questions, and in such forms as they may find most appropriate.

IV.—(*a*) The Assembly notes with satisfaction the thorough enquiry which the Economic Committee has made into the questions concerning the equitable treatment of commerce and the progress achieved in regard to certain aspects of the problem.

(*b*) It looks forward to a modification of the existing international conventions on unfair competition in consequence of the Committee's proposals and approves the procedure adopted by the Council with a view to securing this end.

(*c*) It approves the proposal to convene a Conference of experts on customs formalities. It trusts that all possible measures will be taken, not only to promote the success of the Conference, but also to follow up its conclusions in such a way as to secure practical action by the Governments with the least possible delay.

(*d*) The Assembly notes the further work undertaken in connection with the problem of the equitable treatment of commerce. It counts upon valuable recommendations being submitted at an early date in regard to the treatment of foreign persons and firms.

(*e*) It hopes, however, that the investigation thus successfully begun will be extended and continued without interruption, in order that the principle of equitable treatment of commerce may be given the earliest and most general application possible.

V.—The Assembly has noted the progress made and the results achieved by the Economic Committee in the other tasks which it has undertaken, partly in consequence of the resolutions of the Genoa Conference (dumping, statistical methods, &c.), and partly in other matters (bills of exchange). It is anxious that the attention of the States Members of the League should be drawn in a special manner to the recommendations in regard to commercial arbitration (*la clause compromissoire*) and the stabilisation of customs tariffs.

VI.—The Assembly, having taken note of the decisions of the General Labour Conference of 1921, calling for an enquiry into the national and international aspects of the unemployment crisis and of the means of combating it, and requesting the International Labour Office to call into co-operation the Economic and Financial Section of the League of Nations for the solution of the financial and economic questions raised by the enquiry:

Requests the Economic and Financial Organisation to arrange the scope and method of such collaboration at an early date, and to bring to the enquiry carried on by the International Labour Office any information which it has in its possession.

VII.—The Assembly invites the States Members of the League of Nations to assist in the work of the Economic and Financial Committee by furnishing as fully and as speedily as possible the information for which the Committee may ask, notably for their various publications and their investigations in regard to the equitable treatment of commerce.

VIII.—The Assembly notes that the Council proposes to maintain for the present the Economic and Financial Organisation under its existing provisional form, in order to pursue the work which it has already undertaken, subject to such changes in the composition of the two Committees as the Council may decide.

ANNEX VI.—*Report by the Second Committee on the Organisation for Communications and Transit.* (Rapporteur: *Dr. Mineitciro Adatci.*)

The Assembly has had before it this year two reports transmitted to it by the Council from the Advisory and Technical Committee for Communications and Transit, on the work of the Organisation for Communications and Transit between the Second and Third Assemblies. The first report contains a general statement of the work of the Committee for Communications and Transit up to its last session. The second report deals with the subjects discussed at the last session, which ended just before the opening of the Assembly.

It would seem unnecessary to give a detailed account of the questions dealt with in these reports, since the latter have now been laid before the Members of the Assembly. The Assembly, moreover, will observe that, in spite of the importance of the questions dealt with and the variety of the subjects, the investigation of which, at least, has been undertaken, no proposal nor definite recommendation has been made to the Assembly of the League by the Committee for Communications and Transit. The Assembly has not been requested to take any special action, strictly so called.

This need not cause surprise. The position of the Organisation for Communications and Transit with regard to the Council and the Assembly differs to a certain extent from that at present occupied by the other technical organisations of the League. The Organisation for Communications and Transit assumed, after the Barcelona Conference and in accordance with

the Resolutions of the First Assembly, the final normal form of one of the regular technical organisations of the League. Its Advisory Committee is a Committee the members of which are men of acknowledged competence appointed by the Governments of the various countries, and the majority of whom were elected at the Barcelona Conference by the States Members of the League collectively. A Committee constituted in this manner, and differing markedly from committees consisting of technical experts nominated by the Council, such as the Advisory Economic and Financial Committee or the Advisory Health Committee, has a responsibility of its own and freedom of action within the limits defined with precision in the Resolution of the First Assembly, dated 8th December 1920, on the relations between Technical Organisations, the Council and the Assembly of the League. Subject to the right of control exercised by the Council and the Assembly, it can communicate its recommendations and its opinions direct to Governments. The *rôle* of the Assembly in connection with such an organisation consists of keeping itself fully informed of the work accomplished and in noting the direction and development of this work in order to point out to the organisation itself, should occasion arise, any omissions or any improvements which may be necessary. It would appear, therefore, that the principal task of the Assembly is to consider whether the Organisation for Communications and Transit, as a regularly constituted and responsible body, has, during the year which has elapsed between the last two sessions of the Assembly, correctly interpreted the duties assigned to it in accordance with the Covenant by the Assembly Resolutions by which it was instituted.

If the Assembly considers this question, it will have no difficulty in finding the reply in the reports which have been submitted to it, and which are sufficiently clear and concise, while giving all the details necessary regarding every aspect of the work which is being carried out.

The first task of the Advisory and Technical Committee for Communications and Transit was to supervise the carrying out of the decisions taken at previous conferences. It would indeed be useless to undertake fresh work if the tests which are the result of former labours had not actually been applied. The Organisation for Communications and Transit has already a tradition and a past. In October 1920, under the auspices of its Provisional Committee, very important recommendations were adopted by a Conference on Passports, Customs Formalities, and Through Tickets The General Conference held at Barcelona drew up, within a much wider field, a series of conventions and recommendations, embracing all continents which form the charter of the Organisation for Communications and Transit and the first definite results of Article 23(*e*) of the Covenant.

The Assembly will note with satisfaction in the reports of the Organisation for Communications and Transit that the work of putting the recommendations and decisions of these two conferences into practice is pursuing its normal course and is making steady progress. As a result of the investigation, decided upon last year by the Assembly, it has been recognised and specially noted by the International Economic Conference at Genoa that most of the States were giving effect to the majority of the recommendations of the Conference on Passports, the texts of which have, moreover, been used as the basis of an international convention concluded at Gratz between certain of the Succession States of the Austro-Hungarian Monarchy. With regard to the Barcelona recommendations and conventions, the Assembly must feel gratified that the Genoa Conference has once more confirmed their importance for the economic reconstruction of Europe. The Assembly will note that, as more than five States have ratified them, the General Convention on Freedom of Transit and the General Convention on the Regime of Navigable Waterways of International Concern and the Additional Protocol to this Convention are shortly to come into force. It will also observe that, although the declarations made by the representatives of all the Governments present at the Genoa Conference justify the hope that the Convention on Freedom of Transit will soon be very widely applied, certain difficulties still exist as regards the extension of the General Convention on the Regime of Navigable Waterways of International Concern. With regard to this subject, however, the Assembly cannot fail to find special grounds for satisfaction in the latest efforts made at its recent session by the Advisory and Technical Committee for Communications and Transit, when it drew the attention of the Governments concerned, and specially those Governments taking part in the drafting of the Navigation Act for a waterway of international concern, to the advisability of ascertaining whether the ratifications or adhesions are not being impeded merely by misunderstandings, and when it requested the Secretary-General of the League to facilitate by all the means in his power the conclusion of any agreements of this nature between States, it being understood that such agreements should in no way derogate from the rights of other States which are Contracting Parties to the Convention, and the principle of which, as it is in entire harmony with that of the League of Nations, will not fail to meet with the special approval of the Assembly. The energies of the Organisation for Communications and Transit have not been entirely absorbed in the work of supervising previous decisions. It was fully aware of the fact that its *rôle* consisted in undertaking any new investigations likely to give effect to and develop to the greatest extent possible the principle of freedom of communications embodied in the Covenant.

Some of these investigations were, indeed, imposed upon it by previous decisions, either of the Barcelona Conference or the Assembly, which were based on certain provisions of the treaties. This is the case with regard to the investigations dealing with the Convention on the

International Regime of Railways, of which the actual scheme of work is set out in the Committee's second report, and which, in view of its general character and wide range, will probably be an undertaking worthy of the League. The same may be said of the investigations now being carried out by the Committee for Communications and Transit with regard to the recommendations adopted by the Barcelona Conference on the international utilisation of hydro-electric power. Finally, the same also is true of the first efforts (which appear to be specially successful) made by the Committee for Communications and Transit to co-operate with the Economic Committee of the League in applying the principle of equitable treatment for commerce. These efforts have already led to the framing of certain rules which, incorporated in the General Convention on the Regime for Railways, would ensure more equitable commercial treatment for railway transport in all the contracting countries, and drawing up the first outlines of a Convention on the International Regime of Ports, provided for in the Treaty of Peace and once more requested by the Genoa Conference – a convention which it would be desirable to submit at the same time as the draft Convention on the International Regime of Railways to the next General Conference on Communications and Transit, to be held during the year 1923.

On the other hand, it is on its own initiative that the Organisation for Communications and Transit has, within all fields of transport, undertaken investigations, of which many, no doubt, will result in practical progress, and will render valuable services to the economic life of all countries. The tonnage measurement of vessels employed in inland navigation, the tonnage measurement of vessels employed in maritime navigation, the unification of private law in inland navigation, the unification of private law relating to air transport, protection against the dissemination of epidemics by traffic on waterways, control of the opium traffic in free ports—the investigation of all these questions has been begun by the Organisation for Communications and Transit, following methods which are especially deserving of note from the point of view of the prudence and extreme care (which the Assembly will appreciate) displayed in keeping in close touch not only with the Governments but also with all the competent technical organizations, whether they are dependent on the League of Nations or not; the Advisory Committee on Opium; the Advisory Health Committee; the River Commissions of the Elbe, Oder and Danube, and the Central Commission of the Rhine, the Hydraulic Danube Commission; the International Commission for Air Navigation, etc.

Such are, in broad outlines, the results of the work of the Organisation for Communications and Transit between the Second and Third Assemblies. Work of this nature must be of long duration, and the year which has just passed has been one of those periods which are always necessary and which are rather periods of preparation and growth than periods fruitful in actual and definite results.

The Organisation for Communications and Transit has decided upon its methods and has prudently and consistently pursued the path which it has marked out for itself. It has obtained the assistance of the technical experts which it required. In accordance with the Resolution adopted by the last Assembly, it has, in particular, appointed two additional experts, nationals, of the riparian States of the Danube. Understanding the need for international co-operation on broad lines, it requested the German Government to appoint an expert on railway matters, and the German Government readily associated itself with a work of international concern of this nature. To what extent the Organisation for Communications and Transit has already deserved, in its short but by no means unimportant career, the confidence of Governments is proved by the Genoa Conference. The latter did not confine itself, in its resolutions relating to transport, to congratulating the League of Nations on the work so successfully carried out at Paris or at Barcelona, or to entrusting the Organisation for Communications and Transit with certain new tasks; it went further and desired that our Organisation should continue its own work and that the task of carrying out the whole of its resolutions should be entrusted to it.

The Assembly will undoubtedly note with satisfaction that the Council, in this matter, has complied with the recommendations of the Genoa Conference, and it will also appreciate the care with which, at its last session, the Committee for Communications and Transit made a detailed analysis of the resolutions of the Genoa Conference so important for the economic reconstruction of Europe—and of the measures which the Organisation for Communications and Transit has decided to take to ensure the effective development of this work. There would seem to be no doubt that, as regards the application of the resolutions of the Genoa Conference transmitted by the Council, the Committee for Communications and Transit will be called upon to deal with a large number of practical questions with regard to transport in Europe and thereby to render fresh services. In order to discharge these duties, the Committee will be obliged, as it anticipated, to develop its organisation in an equitable manner. The competent Committee of the Assembly has already been able to appreciate to what extent this development affects the question of the budgetary resources placed at its disposal.

The Committee submits to the Assembly for approval three resolutions which it has unanimously adopted; the first summarising the general ideas stated above, and the other two referring to more specific points. The Committee considered in particular, the conditions under which two conferences concerning questions of communications and transit would be held; the provision has already been made for the convening of these two conferences.

One of these conferences is the second General Conference mentioned above and organised by the League of Nations itself. The attention of the Committee has been drawn to the great importance for the success of such a conference of submitting the documents which will serve as a basis for discussion to the Governments sufficiently early to enable them to study these documents at leisure. It has been thought advisable to fix a time limit in a definite resolution.

The second is the Conference of Railway Administrations convened and organised by the French railway administrations in accordance with the decisions of the Genoa Conference, the application of which the Communications and Transit Organisation of the League has been instructed to supervise. In the opinion of the Committee, it would be particularly useful to ensure an effective liaison between our organisation and the Conference, and to secure for this purpose the representation at the Conference of the Organisation for Communications and Transit, in order to allow that Organisation to fulfil its duties, and in order to place at the disposal of the Conference all the information which the Communications and Transit Organisation of the League made use of in the preparation of the General Convention on the International Regime of Railways.

I have, moreover, great pleasure in informing the Assembly that, since the draft resolution to this effect was adopted by the Committee, the French Delegation has announced that, according to the latest information, the French railway administrations have forestalled the wish of the Assembly, and propose to invite the Communications and Transit Organisation of the League to the Conference which they have organised.

Resolution I.

Assembly Resolution No. 24 (28th Sept. 1922).

The Assembly, after taking cognisance of the first and second reports (A. 132, 1922 VIII. and A. 41) of the Advisory and Technical Committee for Communications and Transit on the work of the Organisation for Communications and Transit between the second and third Assemblies,

Notes with satisfaction :—

(*a*) the progress achieved in giving practical effect to the recommendations adopted by the Conference on Passports, Customs Formalities and Through Tickets, held in Paris, in October 1920, and also to the conventions and recommendations adopted at the Barcelona Conference ;

(*b*) the efforts made by the Organisation for Communications and Transit to facilitate the ratifications of the Barcelona Conventions or the adhesions to those conventions ;

(*c*) the investigations undertaken for the purpose of drawing up the Convention on the International Regime of Railways, as well as a General Convention on the International Regime of Ports and for the purpose of applying in the domain of transit the principle of equitable treatment for commerce ;

(*d*) the measures taken with a view to carrying out the resolutions of the Genoa Conference, transmitted to the Organisation for Communications and Transit by the Council of the League with the object of developing the restoration of the actual means of transit in Europe, and

Invites the Organisation for Communications and Transit, which will hold a second General Conference at Geneva during the year 1923, in accordance with the recommendation of the General Conference of Barcelona, approved by the Council of the League at its meeting of 18th June 1921, to continue, on the lines at present adopted, to carry out the duties with which it has been entrusted.

The Assembly believes that the investigations now undertaken will be prosecuted with sufficient energy to ensure that all those investigations which appear likely to give rise to an international agreement may form the subject of definite proposals to be submitted without delay to the second General Conference.

Resolution II.

The Assembly recommends the Organisation for Communications and Transit of the League to transmit to the various Governments concerned, at least three months before the meeting of the Conference which shall be held during 1923, the draft Conventions or recommendations which it has prepared.

Resolution III.

The Assembly takes note with satisfaction of the imminent meeting in Paris of the Conference of Railway Administrations, convened by the French railway administrations, in conformity with the decisions of the Genoa Conference, and draws the attention of the Council to the fact, that it is desirable that measures should be taken for the representation of the Communications and Transit Organisation of the League at the Conference in question, which organisation has been entrusted, in virtue of the decisions of the Genoa Conference referred to above (which have been accepted by the Council and the Assembly), with the task of examining the progress achieved in carrying them out.

ANNEX VII.—*Report by the Second Committee on the work of the Health Organisation of the League.* (Rapporteur: *M. Manuel Rivas-Vicuna (Chile).*)

I have the honour to lay before the Assembly the report on the work of the Health Organisation during the past year. I shall endeavour to make it as succinct and clear as possible.

I.

I. The Health Organisation, as constituted by the Resolutions of the Council and the Second Assembly,* comprises a Provisional Health Committee composed of members appointed by the Council, and acting in the capacity of an advisory technical body to the Council and Assembly, in order to enable them to carry out the duties which devolve upon them in health matters and in the struggle against disease, in accordance with the various Peace Treaties and their own resolutions. The Committee's Secretariat is under the Medical Director appointed by the Secretary-General.

The Temporary Epidemic Commission forms part of the Health Organisation, but, at the same time, has its separate duties; for it has the duty of administering, in accordance with the instructions of the Health Committee, the funds provided by the voluntary contributions of the Governments for the struggle against epidemics.

I should like to recall, moreover, that the Second Assembly reserved the right which belongs to the Assembly of controlling the constitution of all the important Permanent Committees of the League and when approving the constitution of the Health Committee, it asked that a report should be submitted on the work of this Committee at its next session.

During last year's discussion, the desire was expressed that the Council should attach to the Committee a woman doctor competent in public health affairs, and also a South American member. The Committee was glad to learn that the Council had followed these recommendations, and appointed Dr. Josephine Baker of New York, and Dr. Chagas of Rio de Janeiro. In addition, the Health Committee was asked by the Council to co-opt a member of German nationality.

II. I will not here undertake on the basis of the numerous documents published by the Organisation a recapitulation in detail of the measures taken by the Health Organisation. I will confine myself to laying before the Assembly the general plan according to which the work of the Organisation has been carried on.

It was the pressing and immediate danger and the gravity of the international health situation which mainly occasioned the immediate formation of the Health Organisation last year. In order to fight this danger the Temporary Epidemic Commission was established as its executive body. The efforts of the Health Organisation were first directed towards improving the epidemic situation. It has become more and more evident that success in the campaign against epidemics was one of the first conditions of the re-establishment of the economic situation in a great part of the world.

Its first task consisted in obtaining all the necessary information which the present state of Eastern Europe allowed, and which would procure for the Health Authorities of all the Governments exact data with the least possible delay. As regards Russia, a Commission of Enquiry was sent immediately after the resolution of the Second Assembly while the Assembly was still sitting—and this Commission drew up a report giving for the first time in recent years a statement on the actual health situation in this great country. Since then numerous bulletins and reports have enabled the Health Administrations to follow from day to day the development of the great epidemics in that part of the world. These reports are based upon information obtained from various sources, and are supplemented by information gathered on the spot by members of the Temporary Epidemic Commission. The Temporary Epidemic Commission is, in fact, by reason of its duties in close and daily contact with the various Public Health Services of these countries, and in a position to obtain most important data, and also to prepare the bases of technical co-operation between the States chiefly interested in the fight against epidemics.

The funds placed at the disposal of the Temporary Epidemic Commission by the various Governments which contributed to the work have enabled the Health Organisation to intensify the struggle against epidemics which has been carried on by the Public Health Services of the countries concerned. The best method was for the Temporary Epidemic Commission to put

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* "The Health Organisation of the League shall provisionally comprise a Health Committee, which shall be entrusted with the functions detailed in the report of the Provisional Health Committee as adopted by the Council. The Secretariat of this Organisation shall be appointed by Secretary-General of the League and be responsible to him, and shall be placed under a Medical Director.

"The Assembly, in view of the urgency of the present international health situation, and subject to consideration of a report to be submitted at the next session of the Assembly, accepts the constitution of the Provisional Health Committee proposed by the Council. But this decision is without prejudice to the power of the Assembly admitted last year, to regulate the constitution of important standing Committees of the League.

"In view of the increasing importance of questions of health which more especially concern women, the Assembly invites the Council to take into consideration, at an opportune moment, the question of strengthening the Committee by including a medical woman, experienced in public health matters, qualified to advise on such questions.

"The Epidemic Commission of the League of Nations shall form one section of the Health Organisation."

at the disposal of these Health Administrations all the necessary sanitary material which could be procured within the limits of the funds received by it. It is only these administrations which can, as a matter of fact, carry on the fight against the scourge in an efficacious manner. But in order to ensure success in the campaign which each of them is carrying on in its own territory, exact information on the general trend of the epidemics must be furnished. The information collected in each country must be placed unreservedly at the disposal of all the Governments, and, finally, real collaboration must be established between them.

The Health Organisation has endeavoured to facilitate the conclusion of bi-lateral anti-epidemic and sanitary Conventions.

The work and results of the European Health Conference held at Warsaw give the most complete idea of this part of the activities of the League's Health Organisation. The Assembly will remember that the Health Organisation provided the Secretariat of this Conference, and was entrusted, with the Council's approval, with the execution of its decisions. The Conference defined in detail a programme for the fight against epidemics; it fixed the boundaries of a protective sanitary zone wherein their efforts should be concentrated, and drew up a list of the minimum requirements and funds necessary. As a result of the resolutions of the Conference, a whole series of agreements was made between the various Eastern European States. Certain of these agreements appointed the Health Organisation as an organ of mediation in cases of disputes regarding the interpretation of their clauses. The Second Committee wished to emphasise the great importance of this new duty entrusted by the Council to the Health Organisation, and would draw attention to the fact that such a duty could not well be performed by a purely temporary organisation.

The whole work accomplished during the 12 months just elapsed shows the adaptability and elasticity with which the Health Organisation is able to work. Epidemiological information has been obtained and published either by the permanent Secretariat at Geneva or by the staff of the Temporary Epidemic Commission on the spot.

It has distributed the sanitary material and collaborated with the Health Authorities of the various countries through the medium of the Temporary Epidemic Commission. It is at the disposal of the Council and can be placed at the service of any State Member of the League in order to furnish experts and technical staff for an International Health Conference; in this way it would be collaborating in the work of any such Conference.

III. All the activities so far described refer only to Eastern Europe, but the Health Organisation recognises the importance of not limiting its sphere of action to any one part of the world. As regards epidemiological information, it must serve as an intermediary between all the countries of the world. This is a difficult task, which can only be accomplished by stages. All the necessary material must be collected and standardised, and for that purpose the necessary preliminary methodological studies must be carried out. The Health Organisation commenced its work in this domain by sending a Commission of Enquiry to the Near East, in full agreement with, and after preliminary understanding with, the "Paris Office international d'Hygiene publique." The Commission succeeded in defining the sources of epidemiological information in the Eastern Mediterranean countries; it also brought back a draft convention on anti-epidemic and quarantine measures. This draft will serve as a basis for the discussions of an International Health Conference. With a similar object, but with a more limited scope, another Commission is being organised to obtain all the necessary information regarding the ports in the Far East and the spread of epidemic diseases to all parts of the world. Finally, experts have been invited to make a united study of the incidence of sleeping sickness and tuberculosis among the indigenous population of equatorial Africa, and to suggest any inter-governmental steps which might be undertaken for a successful campaign against these plagues.

IV. After very detailed consideration of the methods to be adopted, the Health Committee decided to institute a system of interchange of public health personnel of the different countries. The Assembly resolution, indeed, expressly entrusted it with the task of "establishing closer relations between the health services of the various countries."

In order to make the matter clearer, I will summarise the conditions in which the first attempt is shortly to be carried out at Brussels. Five officials of the Italian Public Health Service, who work in their own country as medical officers of health of provinces, municipal bacteriologist or Public Health Inspectors, are to visit Belgium with 12 or 15 colleagues from Poland, Czechoslovakia etc. For three weeks a series of lectures will be delivered in Brussels to demonstrate the principles of the theory and practice of the administration of the various branches of the Belgian Public Health Service. They will make the necessary visits to institutions, and will exchange information regarding the methods followed in their own countries. Finally—and this is the essential part of the system—they are to be distributed among the various public health services to work for periods with the public health officials of the country. They will share the life of their Belgian colleagues, and will accompany them in their tours of inspection, participating in their office work and their various technical consultations.

It is obvious that experiments will have to be made before a final system is decided upon. The lectures and visits may take place in one country, while arrangements will be made with all the administrations concerned for the medical officers to study in the various countries selected. Exchanges may be carried out among the staffs of the specialised services. For

example, the public health administration of Brazil might send several of its technical experts to the United States, taking advantage of the League's system of health organisation. In the same way, the public health services of Japan and the Dutch Indies might also benefit by the mutual exchange of their technical experts. This system of exchange is to start with European countries, but obviously, to be of real use, it should be universal in character and should be applied to the public health services of all the countries of the world.

V. Among the points upon which it was essential to ensure more complete co-ordination of the individual efforts of the various countries, the health organisation could not neglect the specific prophylactic and therapeutic domain of preventive medicine hygiene. For this reason the Health Committee decided to take the initiative in co-ordinated research, to be undertaken by 10 Bacteriological State Institutes in various parts of the world (United States, Japan, France, Germany, Great Britain, Italy, Poland, Austria, Denmark, Russia) to establish the standard of anti-toxic units on an experimental basis. Modern medicine employs sera in the treatment of diphtheria or meningitis and in the prevention of tetanus. So far no international agreement had been reached concerning the potency of the biological properties of sera. Such an agreement could not be reached by theoretical discussions. Comparisons had to be made of the agents employed in the various countries, and it was necessary to undertake experiments in these various institutes, using the same technique for all and under strictly defined conditions. This is, perhaps, the first experiment of this kind which has ever been organised. The progress realised has made it possible to convene a small Conference of the Institutes taking part in research work on diphtheria and tetanus, in order to establish a standard serum on the basis of the experiments made during the last 10 months. This Conference will take place in Geneva towards the end of the Assembly, and representatives of the State institutions of France, the United States, Germany, Italy, Denmark and perhaps Russia will take part in it. In this sphere also it is desirable that the research work should be undertaken in laboratories throughout the world, and that the programme of future investigations should take into account the necessity for genuinely world-wide collaboration.

Research work in connection with other sera is more difficult, and will probably go on into next year; it is obvious that the success of this work of genuinely international collaboration may lead to very remarkable results.

VI. The Health Organisation has been able to obtain effective co-operation from a non-governmental public institution. This Rockefeller Foundation in New York has created an International Public Health Board which offers financial help to the various health services and to institutions doing social health work. This great American institution has placed at the disposal of the Health Organisation a subsidy of $32,840 for a period of five years for the work of the epidemiological intelligence services, and a sum of $60,080 for three years for the purpose of instituting an interchange of public health officials. This offer was gratefully accepted by the Council, and it will enable the organisation to demonstrate the practical utility of its work. It is clear, however, that the normal budget of the Health Organisation, as drawn up by its Committee, should be retained in its entirety. The Council has rightly emphasised the impossibility of obtaining a subsidy from the Rockefeller Foundation without demonstrating to it the great importance which the League of Nations attaches to the carrying out of its programme of work.

VII. In view of the work accomplished by the Health Organisation as set out in this report the Second Committee have adopted the following Resolution which I have the honour to lay before the Assembly on their behalf :—

Resolution I.

1. The Assembly notes with satisfaction :—

(*a*) The assistance given by the Health Organisation to the work of the Health Conference of Warsaw, and notes also that the Genoa Conference, having considered the Warsaw Conference Report in accordance with the request contained in the resolution of the Council forwarded on the 3rd April, approved the principles of the anti-epidemic campaign adopted by the Warsaw Conference, and that in consequence of this resolution of the Genoa Conference, transmitted to the Health Organisation by resolution of the Council, dated the 21st July, the Health Organisation has been charged with the duty of carrying out the programme outlined by the Conference;

(*b*) That the Health Organisation has been authorised by various countries to undertake the duties of mediation entrusted to it by certain bi-lateral sanitary conventions which have been concluded as the result of the Warsaw Conference, and that the Council has approved the discharge of these duties;

(*c*) The co-operation established between the Health Organisation and the other Technical Organisations of the League of Nations, notably the Permanent Advisory Committee on Opium, the Transit Commission and the Mandates Commission;

(*d*) The assistance given by the Health Organisation in the work preparatory to the revision of the International Sanitary Convention of 1912, and the realisation of co-operation with the "Office international d'Hygiène publique" thus effected, and the fact that the Council

has decided to place this Organisation at the disposal of the Conference which is shortly to be convened by the " Office international d'Hygiène publique " ;

(*e*) The co-operation effected by the Health Organisation in experimental research concerning the standardisation of sera and serological tests, the first results of which will be presented to a conference which will be convened at Geneva in the near future ;

(*f*) The development of the activities of the Health Organisation with regard to epidemiological intelligence, which should not be limited to problems of importance to only a limited number of countries ;

(*g*) The initiative taken by the Health Organisation with regard to interchange of the sanitary personnel of various Governments, which system it desires should be made applicable to as large a number of countries as possible.

2. The Assembly desires to express its appreciation to the Rockefeller Foundation for the financial assistance which has been offered to the Health Organisation to assist in the development of certain of its activities.

3. The Assembly considers that the Health Organisation of the League of Nations is undertaking a task of permanent utility and that it is indispensable that it should continue its activities.

The Assembly considers that it may be possible, before the meeting of the Fourth Assembly, to prepare, on the basis and on the principles adopted by the First Assembly for the Technical Organisations of the League, the constitution of a permanent Health Organisation which will be submitted to the Fourth Assembly for approval. In such case this Organisation will undertake the duties laid down in the resolutions of the First and the Second Assembly. It may, if necessary, function meanwhile within the limits of the budget and in anticipation of the above-mentioned approval of the Fourth Assembly. To this end the Assembly authorises the Council to take advantage of such general conference as may be convoked, it being understood that all States Members of the League of Nations shall be invited to send delegates thereto.

It also suggests to the Council that an attempt be made at the forthcoming Conferences to make such arrangements as may be necessary to avoid duplication.

II.

VIII. Your Second Committee examined in greater detail the position of the Temporary Epidemic Commission, which has become one section of the Health Organisation by virtue of the decision of the last Assembly. The report of the Temporary Epidemic Commission has been consequently examined by the Health Committee which, having approved it, submitted it to the Council.

The Second Committee wished to draw particular attention to two points: first, to the means by which the autonomous budget of the Temporary Epidemic Commission has been replenished and may continue to be replenished; secondly, to the reasons which have prompted the Health Committee to propose that a sum of Frs. 125,000 should be added to the budget of the League of Nations for the work of epidemiological intelligence, etc., undertaken by the Temporary Epidemic Commission, as a contribution to its expenses, and also the reasons which have led the Council to approve this proposal.

Regarding the replenishing of the budget in the past, the following contributions have been received so far by the Epidemic Commission: —

		£	s.	d.
Agu. 20, 1920.	Bulgaria	27	0	0
Sept. 1, „	Persia	2,000	0	0
„ 6, „	Siam	1,000	0	0
Jan. 6, 1921.	Japan	5,316	15	10
„ 6, „	Sweden	3,000	0	0
„ 6, „	Switzerland	2,150	10	9
„ 14, „	Belgium	1,000	0	0
„ 17, „	Great Britain	50,000	0	0
„ 21, „	Greece	10,000	0	0
Feb. 9, „	Austria	42	17	0
„ 15, „	Finland	500	0	0
March 14, „	Peru	363	12	9
„ 25, „	Albania	981	7	5
June 4, „	Canada	41,095	17	10
„ 11, „	Denmark	5,000	0	0
July 21, 1921.	Norway	1,919	7	9
Aug. 2, „	China	2,000	0	0
Feb. 17, 1922	Belgium (second contribution),	1,000	0	0
April 28, „	France	50,000	0	0
August „	Holland	10,000	0	0
	Total	187,397	9	4
Contribution of the League of Red Cross Societies		10,000	0	0
Sundry private subscriptions		26	16	0
		£197,424	5	4

In accordance with the recommendations of the Warsaw Conference, the expenditure incurred under this head by the Governments of the States bordering on Russia might be regarded as their contribution to this international work.

These sums amounted in 1922 to 412,750*l.* in the case of Poland, 380,000*l.* in the case of Roumania, 70,000*l.* for Latvia and 2,000*l.* for Lithuania, making a total of 864,750*l.* The Second Committee have not had before them figures for Esthonia.

The various documents published make it quite clear that the danger of the epidemics in Eastern Europe continues to be serious. No one can deny the urgent necessity of obtaining funds for the anti-epidemic campaign and for strengthening the health services of the States bordering on Russia.

The Assembly will doubtless remember that all Governments represented at the Genoa Conference unanimously decided to apply to their respective Parliaments for credits. The British Government has obtained a parliamentary grant of 100,000*l*, on the condition that other States Members of the League should unite in contributing 200,000*l*.

The fact that the epidemic situation has not become still more menacing this year is due indeed to the effort of the countries affected combined with the work of the Temporary Epidemic Commission and with the activities of various relief organisations in Russia, and particularly to the effort of the American Relief Administration, which has earned the gratitude of the whole world.

The First and Second Assemblies have issued appeals for funds for the anti-epidemic campaign. The Council have also untiringly requested Governments for contributions. Your Second Committee does not recommend to the Assembly the issuing of another appeal, but the adoption of the following resolution, which will give to all the Governments an opportunity of stating what are their decisions:—

Resolution II.

The Assembly expresses the opinion that the persistence of epidemics in Eastern Europe still constitutes a serious danger to the world and prejudices the re-establishment of normal economic conditions in the countries affected by these epidemics and in the whole world.

The Assembly notes that all the Governments represented at the International Economic Conference of Genoa accepted the principles of the participation of all European States in the expenditure necessary for the anti-epidemic campaign, and agreed to entrust the direction of this campaign to the Temporary Epidemic Commission.

The Assembly has taken note of the considerable financial effort made by the States *limitrophe* to Russia in order to carry on the campaign in their own territories.

The Assembly notes that, in conformity with the Genoa resolution, the British Government has offered a contribution of 100,000*l*. to the Temporary Epidemic Commission, subject to the condition that the total contributions of other Governments should equal a sum of not less than 200 000*l*., and that the Council has decided to acquaint the Delegations of all Members of the League of Nations present at the Assembly with this offer, asking them, if possible before the end of the Assembly, to make an announcement regarding the assistance which their respective Governments will be ready to furnish. The Assembly hopes that the Members of the League of Nations will be able to respond at an early date.

III.

The Second Committee has also examined the opportunity of adding to the budget of the Health Organisation the sum of money asked for by the Health Committee and sanctioned by the Council as a contribution to be granted to the Temporary Epidemic Commission for its epidemiological intelligence work, etc.

The Second Committee has discussed this question in detail, and it has decided that in principle, a contribution should be granted to the Temporary Epidemic Commission. As, however, this resolution involves expenditure, it cannot be submitted to the Assembly before an opinion has been expressed by the Fourth Committee, to which the resolution has been referred.

The Second Committee has decided, however, to give the reasons which prompted it to adopt this decision of principle, and it has asked me to lay them before the Assembly.

The following are the facts of the case:—

On 14th January 1922 the Council decided that the Temporary Epidemic Commission should continue to have its own budget. The Health Committee, however, while desiring to act in accordance with the spirit of this decision, was of opinion that it is necessary to draw a distinction between two different aspects of the work of the Commission. The Temporary Epidemic Commission administers the funds which have been collected to prosecute the campaign against epidemics, and for this purpose it must have its own budget and derive the whole of its funds from contributions made by States, but on the other hand, apart from this administrative work and as a preparation for it, the Temporary Epidemic Commission has been forced to collect all relevant information regarding the situation and spread of epidemics. The expenses incurred in this work have hitherto been placed on its own budget, together with the expenses of co-ordinating the anti epidemic work of the administrations of various countries. These services come more properly within the province of the Health Organisation, and in strict equity this expenditure ought, apparently, to be placed on the budget of the latter. The Committee therefore requested that a sum of Frs. 125,000, on behalf of the Temporary Epidemic Commission, should be placed on the budget of the League of Nations under the Provisional Health Organisation.

At the present time the Temporary Epidemic Commission has, in addition to its headquarters office in Geneva, three branch offices at Warsaw, Moscow and Kharkov respectively. The offices at Kharkov and Moscow are in process of development, and the Epidemic Commission has not yet obtained sufficient experience to give an accurate estimate as to the administration expenses that will be incurred thereby. It is clear, however, that the expenses incurred in connection with these offices are unlikely to be less than those of the Warsaw office, which is being administered as economically as possible. In framing estimates of the probable expenditure of the offices of Moscow and Kharkov, the administration expenses of the Warsaw office will be taken as a basis.

The total administration expenses of the Warsaw office amount to 54,000 Swiss francs a year. Similar figures for Warsaw and Kharkov give a figure of 162,000 Swiss francs as the probable administration expenditure of the three offices combined. In addition to the above, salaries of the experts, *i.e*, of the Chief Commissioner and the three Commissioners in charge of the abovementioned offices amount to 108,000 Swiss francs, and the salary of the Technical Secretary at the headquarters of the Commission to 12,000. If to the above be added a sum of 8,000 francs to meet the cost of travelling expenses incurred by the head office, the total administration expenses are likely to amount to 290,000 Swiss francs.

In view of the fact that an important part of the duties of the Temporary Epidemic Commission consists of the collection of epidemiological information, the carrying out of investigations and securing closer co-operation between the public health administrations of the countries in which the Commission works—all this being work which must be regarded as a legitimate charge to the budget of the Health Section of the League of Nations as a whole — the Health Committee expressed the opinion that a sum of 125,000 Swiss francs would represent a just proportion of the administration expenses of the Epidemic Commission to be borne by the budget of the Health Section. It will be noted that the sum represents considerably less than half the estimated total administration expenditure of the Temporary Epidemic Commission.

The Second Committee did not think it admissible to deduct a sum, however small, from the contributions donated by certain Governments for the precise and clearly defined purpose of anti-epidemic relief.

They have felt that it was quite natural for the Health Organisation to utilise the services of the members of the Temporary Epidemic Commission for the collection of epidemiological intelligence and for establishing contact with the various Governments. It is clear that the expenditure would be much heavier if the Health Organisation had to entrust these functions to a separate staff. The following Resolution was, therefore, adopted and referred to the Fourth Committee :—

Resolution III.

"The Assembly notes that, hitherto, the Temporary Epidemic Commission, of which the funds are provided entirely by voluntary contributions intended for the campaign against epidemics and freely granted by certain States, has undertaken a series of epidemiological enquiries and has established a closer co-operation with the technical administrations, necessary in view of the aim which it pursues, but that its activities have been made use of by the Health Organisation for its own requirements ; and

"Whereas, under these circumstances, it does not seem equitable that the cost of this work, in which all the States are interested, should be borne only by certain States, and that this expenditure should rather be provided for under the ordinary budget of the League ; and

"Whereas it is not admissible that these sums should be paid out of the contributions made by certain States for the clear and well-defined purpose of the campaign against epidemics properly so-called ; and

"Whereas the effective continuation of this work and regard for its best results from the economic point of view renders it desirable that the Temporary Epidemic Commission should continue to be entrusted with it :

"Decides that a sum of ..... francs shall be included in the budget of the Health Organisation as a contribution to the Temporary Epidemic Commission."

I shall have the honour to submit the above Resolution for the formal approval of the Assembly after the Fouth Committee have expressed their opinion on it.

RESOLUTIONS SUBMITTED BY THE SECOND COMMITTEE TO THE ASSEMBLY.*

1. The Assembly notes with satisfaction :—

Assembly Resolution No. 1 (15th Sept. 1922).

(*a*) the assistance given by the Health Organisation to the work of the Health Conference of Warsaw. It notes also that the Genoa Conference, having considered the Report of the Warsaw Conference in accordance with the request contained in the resolution of the Council forwarded on 3rd April 1922, approved the principles of the anti-epidemic campaign adopted by the Warsaw Conference, and that in consequence of this resolution of the

* Unanimously approved by the Assembly.

Genoa Conference, transmitted to the Health Organisation by resolution of the Council dated 21st July 1922, the Health Organisation has been charged with the duty of carrying out the programme outlined by the Conference;

(*b*) that the Health Organisation has been authorised by various countries to undertake the duties of mediation entrusted to it by certain bilateral sanitary conventions which have been concluded as the result of the Warsaw Conference, and that the Council has approved the discharge of these duties;

(*c*) the co-operation established between the Health Organisation and the other Technical organisations of the League of Nations, notably the Permanent Advisory Committee on the Traffic in Opium, the Advisory and Technical Committee on Communications and Transit and the Permanent Mandates Commission;

(*d*) the assistance given by the Health Organisation in the work preparatory to the revision of the International Sanitary Convention of 1912, the co-operation with the "Office international d'Hygiène publique" thus effected, and the fact that the Council has decided to place the Health Organisation at the disposal of the Conference which is shortly to be convened by the "Office international d'Hygiène publique;"

(*e*) the co-operation effected by the Health Organisation in experimental research concerning the standardisation of sera and serological tests, the first results of which will be presented to a conference which will be convened at Geneva in the near future;

(*f*) the development of the activities of the Health Organisation with regard to epidemiological intelligence, which should not be limited to problems which are of importance to only a limited number of countries;

(*g*) the initiative taken by the Health Organisation with regard to interchange of the sanitary personnel of various Governments, which it desires should be made applicable to as large a number of countries as possible.

2. The Assembly desires to express its appreciation to the Rockefeller Foundation for the financial assistance which has been offered to the Health Organisation to assist in the development of certain of its activities.

3. The Assembly considers that the Health Organisation of the League of Nations is undertaking a task of permanent utility and that it is indispensable that it should continue its activities.

The Assembly considers that it may be possible, before the meeting of the Fourth Assembly, to prepare, on the basis and on the principles adopted by the First Assembly for the Technical Organisations of the League, the constitution of a permanent Health Organisation, which will be submitted to the Fourth Assembly for approval. This Organisation will undertake the duties laid down in the resolutions of the first and the second Assemblies. It may, if necessary, function meanwhile within the limits of the budget and in anticipation of the above-mentioned approval of the Fourth Assembly. To this end, the Assembly authorises the Council to take advantage of such general conference as may be convoked, it being understood that all States Members of the League of Nations shall be invited to send delegates thereto.

It also suggests to the Council that an attempt be made at the forthcoming conferences to make such arrangements as may be necessary to avoid duplication.

4. The Assembly expresses the opinion that the persistence of epidemics in Eastern Europe still constitutes a serious danger to the world, and prejudices the re-establishment of normal economic conditions in the countries affected by these epidemics and in the whole world.

The Assembly notes that all the Governments represented at the International Economic Conference of Genoa accepted the principles of the participation of all Europeans States in the expenditure necessary for the anti-epidemic campaign and agreed to entrust the direction of this campaign to the Temporary Epidemic Commission.

The Assembly has taken note of considerable financial effort made by the States bordering on Russia in order to carry on the campaign in their own territories.

The Assembly notes that, in conformity with the Genoa Conference, the British Government has offered a contribution of 100,000*l.* to the Temporary Epidemic Commission, subject to the condition that the total contributions of other Governments equal a sum of not less than 200,000*l.* The Assembly notes also that the Council has decided to acquaint the Delegations of all Members of the League of Nations present at the Assembly with this offer, asking them, to make, if possible before the end of the Assembly, an announcement regarding the assistance which their respective Governments will be ready to give. The Assembly hopes that the Members of the League of Nations will be able to respond at an early date.

Temporary Epidemic Commission.

Resolution No. 28 (28th Sept. 1922).

The Assembly, whereas the Temporary Epidemic Commission, of which the funds are provided entirely by voluntary contributions intended for the campaign against epidemics and freely granted by certain States, has undertaken a series of epidemiological enquiries and has

established a closer co-operation with the technical administrations, necessary in view of the aim which it pursues ; and its activities have been made use of by the Health Organisation for its own requirements ;

Whereas, under these circumstances, if does not seem equitable that the cost of this work, in which all the States are interested, should be borne only by certain States, and whereas this expenditure should rather be provided for under the ordinary budget of the League ; and

Whereas it is not admissible that these sums should be paid out of the contributions made by certain States for the clear and well-defined purpose of the campaign against epidemics properly so-called ; and

Whereas, the effective continuation of this work and regard for its best results from the economic point of view renders it desirable that the Temporary Epidemic Commission should continue to be entrusted with it,

Decides that a sum of frs. 50,000 shall be included in the budget of the Health Organisation as a contribution to the Temporary Epidemic Commission.

ANNEX VIII.—*Report by the Third Committee on the Reduction of Armaments.*

(Rapporteur : *Lord Robert Cecil.*)

INTRODUCTION.

The Third Committee of the Assembly has held nine meetings, all of which have been devoted to the discussion of the reduction of armaments. The deliberations of the Committee have been based upon the conclusions presented to it in the Report of the Temporary Mixed Commission appointed by the Council at the suggestion of the First Assembly in order to prepare for submission to the Council reports and proposals for the reduction of armaments. In accordance with the resolution adopted by the Assembly last year, the Council, in March 1922, strengthened the Temporary Mixed Commission by appointing seven additional members with special qualifications for its work. Since the last Assembly the Temporary Mixed Commission has held three meetings, and on all the matters with which it has dealt considerable progress has been made. On some of them definite conclusions have been reached and are recommended for adoption by the Assembly. On others, general principles have been laid down and the lines indicated on which the Commission hopes that it may be able, in a not too-distant future to present concrete plans for the consideration of the Council and the Assembly.

The progress in its task has brought the Third Committee to the opinion that it is most desirable that the Council should reappoint the Temporary Mixed Commission for another year. The Committee, moreover, is of opinion that it is imperative that the proposals of the Temporary Mixed Commission should be submitted at a date previous to that of the next Assembly sufficiently early to enable it to discuss with profit so complex and important a problem. In making this proposal, the Third Committee wishes also to suggest that it is desirable that the Commission should be brought into closer touch with the views of the Governments of the Members of the League. It does not suggest that Government representatives should be added to the Commission, but it considers that the Council might usefully invite the Members of the League to ensure the closest co-operation between their military departments and the Temporary Mixed Commission in order that authoritative information, opinions, and even criticism may facilitate its work.

The Third Committee considers that it is particularly important that the Governments should be asked to submit observations which they might desire to urge, and in particular to put forward any suggestions which they may have to offer with regard to the principles of the reduction of land armaments formulated by the Commission, and with regard to the scheme for a Treaty of Mutual Guarantee, which is discussed hereafter.

The Third Committee therefore recommends the following resolution for adoption by the Assembly :—

It is desirable that the Temporary Mixed Commission should be asked to continue for another year the work which it has begun, and that its report be submitted at an early date previous to that of the next Assembly. The Assembly further requests the Council to invite the Members of the League to lend their assistance to the Commission in its difficult task, and to give their assistance and advice with regard to proposals for the reduction of land armaments and a Treaty of Mutual Guarantee.

The Third Committee desires to express it sense of the great value of the collaboration that has existed between the Temporary Mixed Commission and the Permanent Advisory Committee, and it trusts that it will continue and, if possible, increase. It is of opinion that the great technical competence of the Permanent Advisory Commission cannot but be of essential service in the questions in which the Temporary Mixed Commission has been engaged.

I.—Various.

1.—*The Limitation of National Expenditure on Armaments.*

At its second session the Assembly adopted the following resolution :—

> "Subject to the conditions set out in the recommendations of the First Assembly, the recommendation that Members of the League should undertake not to exceed for the next two financial years following the present year, the sum total of expenditure on military, naval and air forces provided for in the budget of that year, be again forwarded to the Members of the League, together with a statement showing the replies already received to this recommendation."

The Council endorsed this Resolution and the Secretary-General forwarded on 17th January 1922 to the Members of the League a copy of the recommendation and a statement of the replies which had been received. In response to this communication a large number of Governments have sent further answers. In order to make of greater use the valuable information contained in these replies, the Temporary Mixed Commission drew up special tables in which the general conclusions which resulted from them could be more easily reviewed. When it had tabulated the information thus received and had given it due consideration, the Temporary Mixed Commission arrived at the following conclusions :—

(*a*) On the whole the estimated defence expenditure for the financial year 1922 (or 1922-23) shows a reduction as compared with the actual expenditure incurred in the two previous financial years.

(*b*) In appreciating the significance of this reduction, due consideration must be given, however, to the fact that, since the year 1920, in many of the countries concerned, there has been a falling-off in war charges, owing to the operations connected with demobilisation, and also to the fact that in many countries there has been a considerable decrease in the prices of raw materials.

The Third Committee is in complete agreement with the T. M. C. on this matter and has decided to adopt as its own the above conclusions. It has thought it possible, however, for the Assembly to take a further step in this same direction beyond that which it took in 1921, and accordingly, on the motion of M. de Jouvenel, delegate for France, and without in any way restricting the scope of the previous recommendations on this subject, it proposes to the Assembly the following Resolution :—

> Furthermore, the Assembly recommends that as a preliminary step, the European States existing before the war in 1914, under their present description, whose juridical status has not been modified by the war, and which are not, at the moment, engaged in military operations which justify their armaments, be invited to reduce the total of their military, naval and air expenditure to the figures for 1913, calculated on the basis of pre-war prices according to the method employed by the Temporary Mixed Commission.

2.—*Statistical Enquiry.*

The Third Committee feels it its duty to express its gratitude to the Statistical Sub-Committee of the T. M. C. and to the Secretariat of the League for the manner in which they have carried out the statistical enquiries decided upon by the Assembly at its previous sessions. The results achieved in this direction up to the present time are of great value and the task of collecting and co-ordinating statistics has been carried through with great ingenuity and care.

As the original programme of the enquiry was thought to imply a comparison between 1913 and 1921, some of these investigations had to be executed on the hypothetical basis of Europe as it would have been had its present geographical frontiers existed before the war. Such investigations would naturally be of no practical value to the further work of the T. M. C. The Third Committee therefore suggests that the statistical investigations of the T. M. C. be continued on the basis of original figures relating to actual conditions as they exist and leaving for the future the question of the method for their elaboration.

It appears from the Report of the T. M. C. that what it now requires is an instruction from the Assembly as to the lines upon which its further work shall be carried out.

The Third Committee believes that these general lines can be found in the original principles on which the statistical enquiry was based.

What is required is an investigation carried out as a first steps towards the preparation of a general plan for the reduction of armaments. This plan should be based upon Article 8 of the Covenant, which recognises the primary importance of national security in this matter. As may be clearly seen from the statements received from the different countries, the national security of each depends very largely on the full military strength of other countries. The

subject of the statistical enquiry should therefore be this full military strength. It consists of two factors :—

(1) The actual military strength, which is expressed in the piece-time armaments and the expenditure on national defence ;

(2) The potential military strength, in which an important element is the industrial and economic power of each State, the military importance of which was proved in the last war.

In this respect, therefore, the additions suggested by the T. M. C. to the programme of the economic part of its inquiry would seem to be entirely justified. It is doubtful, however, whether the time has yet come to deal with this latter part of the enquiry, and the Committee, while recognising that it would perhaps be desirable to contemplate a future extension of the statistical investigations in this direction, considers that the statistical enquiry should be limited for the present to the two principal factors by which peace-time military strength is expressed, *i.e.*, armaments and budgets.

The Committee ventures to submit the following proposals for the approval of the Assembly :—

The Committee expresses its satisfaction at the remarkable work accomplished in collecting and drawing up statistical data in an entirely new and peculiarly difficult province.

Taking into account the work accomplished, and reserving the question of the scope it might be necessary to give to a statistical enquiry at a later date, the Committee desires to determine for the coming year the programme which appears to it at the same time immediately useful and practicable. It therefore proposes that this programme should be limited to the two following points :—

(1) Peace-time armaments ;

(2) Expenditure on armaments ;

It would be desirable that the Council should request the Permanent Advisory Commission to collaborate with the Temporary Mixed Commission in that part of the work which deals with technical military, naval and air questions.

3.—*Surplus Stocks of Munitions.*

The Council had invited the Permanent Advisory Commission to examine the question of the destruction of surplus stocks of munitions on account of the technical character of this question.

After a detailed examination of the matter, the Permanent Advisory Commission arrived at the following conclusion :—

"To sum up, the Committee notes that the question has already been settled by the various countries concerned, and that the surplus stocks which undoubtedly existed at the close of the world-war have, during the three-and-a-half years which have elapsed since that date, been destroyed or liquidated, or are in process of liquidation."

And the Temporary Mixed Commission, having taken cognisance of the said Report, submitted to the Council the following conclusions, which were approved by it on 20th July 1922 :—

"The Temporary Mixed Commission took note of the report of the Permanent Advisory Commission and of the satisfactory measures taken by the various States for the liquidation of these stocks. This first question has been settled in accordance with the desire of the Second Assembly."

Nevertheless, it should be observed that the Permanent Advisory Commission had rightly pointed out that the danger which might arise from the possible existence of stocks of munitions and war material would be really due not so much to the fact that this material existed in the hands of responsible Governments as to its circulation without control in the world at large. Hence the necessity of arriving at some measure of control of the traffic in arms. Owing to these considerations, the Third Committee recommends to the Assembly the adoption of the following resolution :—

The Assembly, having considered the Report of the Temporary Mixed Commission, is of opinion that there is no step which could usefully be taken in connection with surplus stocks of arms and munitions except by means of the control of the international traffic in arms.

4.—*Private Manufacture.*

The Assembly, at its session in 1921, took into consideration an elaborate report on the subject of private manufacture of armaments prepared by the Temporary Mixed Commission. This report set out the evils alleged to result from the private manufacture of armaments and

made certain suggestions of a general nature as to how these evils might be dealt with. The Temporary Mixed Commission did not at that time put forward any general conclusion as to the desirability or possibility of prohibiting altogether private manufacture. They pointed out, however, the great difficulties of absolute prohibition, and suggested that it might be more practicable to secure a strict control of private manufacture without proceeding to absolute abolition. The Temporary Mixed Commission also proposed that a conference should be called to draw up an international convention on the subject, and that it should itself be charged with the duty of preparing a draft convention for the consideration of this conference. They added that the conference, to be successful, must necessarily include States not Members of the League.

The Temporary Mixed Commission further pointed out that, whatever might be done regarding the prohibition or control of private manufacture, an important step in securing the effective abolition of the evils resulting from private manufacture lay in establishing a strict control over, and securing strict publicity for, the international traffic in arms. They therefore urged that the Arms Traffic Convention of St. Germain should be brought into effect at the earliest possible moment.

Since the last Assembly, however, the St. Germain Convention has not been brought into force. Moreover, the Temporary Mixed Commission found more difficulty in working out a draft Convention than had been anticipated. The Council, therefore, did not summon the international conference which had been suggested.

At its last session, this year, the Temporary Mixed Commission adopted a definite proposal for the control of private companies engaged in the manufacture of arms and suggested that this proposal might serve as the basis for the labours of the conference which had been proposed. The Third Committee shares the view of the Temporary Mixed Commission and suggests that the Temporary Mixed Commission should elaborate the proposal which it has adopted in the form of a draft convention, and that at the appropriate moment the Council should summon an international conference for its consideration. Since, however, it is desirable that this conference should also deal with the subject of the arms traffic, it is evident that it cannot be summoned until a definite programme of action in connection with the arms traffic has been agreed upon. The Assembly, therefore, can do no more than invite the Council to summon the conference at the moment that it shall judge opportune; and the Third Committee accordingly proposes the following Resolution :—

> The Assembly, having noted the proposal of the Temporary Mixed Commission for an international agreement for the control of the manufacture of arms by private companies, urges on the Council to consider the advisability of summoning at an appropriate moment a conference of the Members of the League to embody this agreement in the form of a convention. The Assembly is further of the view that States not Members of the League should be invited to participate in this conference and to co-operate in the policy on which it may agree.

5.—*Arms Traffic.*

1. The international traffic in arms has long been the subject of consideration by Governments. As long ago as 1887, a treaty on the matter was agreed to by a number of Powers. The subject was discussed at the Peace Conference in Paris and a new treaty to replace that of 1887 was drawn up and signed by the Powers who took part in the Conference.

Since then it has been the subject of consideration by the Permanent Advisory Commission and the Temporary Mixed Commission, as well as by the Assembly of the League at both its previous meetings and on a number of occasions by the Council. On all those occasions it has been agreed that it is pre-eminently in the interest of civilisation that the international traffic in arms should be subjected to control by international action.

It is unnecessary to elaborate the reasons for this opinion. Every Member of the Assembly is doubtless aware of the grave and sordid scandals connected with the trade in arms.

2. The Arms Traffic Convention which was signed at St. Germain in September 1919 was intended to fulfil the two following purposes :—

(*a*) To prevent the importation of arms, except under the strictest possible control, to certain defined areas inhabited by backward peoples. The purpose of this part of the Treaty is evident. The task of preventing bloodshed in great parts of Africa and in the countries which border the Red Sea is rendered far more difficult if the inhabitants have access to unlimited quantities of arms and munitions. It was felt to be especially desirable to bring this part of the Treaty quickly into effect in order to prevent dissemination to these parts of the world of the surplus stocks left over from the war.

(*b*) To secure by a system of licensing full publicity for all international traffic in arms. The parties to the Convention undertook not to allow the export of arms from their territories except with a licence from the Government authorities, which should indicate the quantities the export of which was allowed, and the destination to which they were sent.

The Treaty further provided that copies of these licenses should immediately be forwarded to a central office to be established under the League, and that they should be published. It

was believed that, by securing in this way the fullest publicity for traffic in arms, something at least would be done to get rid of the evils attendant upon it.

The Convention of St. Germain was drafted on the assumption that it would be universally accepted by the Governments of all countries. While, of course, it is essential to secure the co-operation of countries which produce arms and munitions, it is nevertheless desirable that every country, whether it produces arms or not, should be a party to such a Convention.

3 When the St. Germain Convention was signed, the principal parties to it also agreed to a supplementary protocol to the effect that they would bring its provisions into immediate effect without waiting for formal ratification. This protocol, unfortunately, was not acted upon, except by a few of the principal signatories and in respect only of the defined backward areas mentioned above. Since then, great efforts have been made to bring into force the Convention. At both meetings of the Assembly of the League very strong resolutions were agreed to urging the Governments of Members of the League and of States outside the League to ratify the Convention or to adhere to it as the case might be. The Council of the League has addressed a number of letters to the Governments inviting them to act in accordance with these Assembly Resolutions. In reply to these letters, 34 Governments have, up to the present, expressed their views on the subject. Of these, 11 Governments have actually ratified the Convention and four others have expressed their willingness to adhere to it. The remainder, including all the principal signatories, except the United States of America, and also the other States which produce arms and munitions, have expressed their willingness to ratify the Convention when all the other producing States are ready to do so. Germany and Austria, which used to be great producers of arms, are bound under the provisions of the Peace Treaty by the St. Germain Convention.

It therefore appeared that, as the result of three years of continuous effort, the Council and the Assembly of the League might have had reason to hope that the Convention of St. Germain would be generally brought into effect without undue delay. On 28th July 1922, however, the Department of State of the United States Government addressed a communication to the Secretary-General in which it informed him that the United States Government found itself unable to approve the provisions of the Convention or to give any assurance of its ratification. This reply put an end to the hopes that the Convention of St. Germain in its present form would receive general acceptance.

4. As has already been said, it is most desirable that some treaty should be universally accepted for the control of the international trade in arms, and that all civilised countries should co-operate in a common policy of regulation.

Whether that can be done, however, depends on the attitude of the United States of America. It is important, therefore, that the Members of the League should endeavour in every way to meet the views of the United States Government and to secure their co-operation in a common policy. Since, in the letter addressed to the Secretary-General on 28th July, the Department of State says that "The Government of the United States is in cordial sympathy with efforts to restrict traffic in arms and munitions of war . . . ." and that "It is desirous to co-operate for the purpose of suitably controlling the traffic," there is good ground for hoping that some arrangement for common action on the part of the Members of the League and of the United States may yet be arrived at.

The Committee therefore proposes that the Assembly should pass the following resolutions:—

(1) That it is highly desirable that the Government of the United States should express the objections which it has to formulate against the provisions of the Convention of St. Germain, and any proposals which it may care to make as to the way in which these objections can be overcome.

(2) That the Temporary Mixed Commission should be instructed to prepare a plan for the control of the international trade in arms, which can be considered by the Conference which is to deal with private manufacture of arms.

(3) That the Assembly requests the Council to take such steps as it thinks advisable to carry out the purposes above indicated.

6.—*Chemical Warfare.*

The Assembly, at its last session, suggested that the Temporary Mixed Commission should make enquiries as to whether any useful purpose could be served by inviting the scientists of the world to publish their discoveries in the realm of chemical warfare. It was believed that this proposal, if carried out, might minimise the danger that chemical discoveries would be utilised for aggressive attack.

The Temporary Mixed Commission, however, after careful enquiry, came to the conclusion that such an invitation as had been suggested could serve no useful purpose. They also agreed that, although conventions forbidding the use of gas in time of war might have great moral value, yet no treaty stipulation could certainly prevent secret preparation for chemical warfare. There is only too much reason to fear, after the experience of the late war, that

any country fighting for its life will avail itself of whatever weapon it may find it possible to use effectively. It is, therefore, necessary, however unfortunate it may be, to anticipate that if another war breaks out chemical weapons will be used.

The Committee is deeply impressed with the terrible nature of the results which would follow from such use. Great development has already occurred since the termination of hostilities in chemical discoveries for use in war. The progress in the manufacture of bombs for use in aircraft has been no less remarkable. The largest bomb used in the war was insignificant in its effect compared with bombs which could and would be used in any war which might now break out.

The Committee considers that it is vital that the peoples of the whole world should understand the issue which they have to face, and with this object the Temporary Mixed Commission agreed to appoint a small committee to study the development of chemical warfare and to prepare a report upon its probable effects in any future war. The Committee is of opinion that the Temporary Mixed Commission were well advised in taking this action, and it considers that the Report of the Committee when it is completed should receive the greatest possible publicity. It therefore recommends the following Resolution :—

> *The Assembly, having considered the Report of the Temporary Mixed Commission on the subject of the development of chemical warfare, approves its action in establishing a special Sub-Committee to report on its probable effects in any future war, and urges upon the Council and the Temporary Mixed Commission that every measure should be taken to secure the fullest publicity for its report.*

The Third Committee also took into consideration two proposals put forward for the control of the use of poison gas in time of war. The first proposal, by M. Urrutia, delegate of Colombia, was to the effect that the Temporary Mixed Commission should be asked to consider the advisability of drawing up a treaty for signature by the Members of the League at the Fourth Assembly for the extension to all powers of the treaty concerning the use of gas in warfare agreed upon at the Washington Conference.

The second proposal, by Sir Mark Sheldon, delegate for Australia, was to the effect that the Assembly should adopt a resolution urging the Governments to adhere to the Washington Convention concerning the use of poison gas and submarines in war.

M. Urrutia, being desirous of obtaining a definite decision, agreed to withdraw his own proposal in favour of that of Sir Mark Sheldon, and the Third Committee adopted the following Resolution :—

> The Assembly request the Council to recommend the Members of the League and other nations to give their adhesion to the Treaty of Washington (6th February 1922) in relation to the use of asphyxiating gas and submarines in war, and other similar matters.

7.—*Statements of Governments on the Requirements of their National Security.*

Article 8 of the Covenant provides that "The Council, taking account of the geographical situation and circumstances of each State, shall formulate plans for the reduction [of armaments] for the consideration and action of the several Governments.

In order that they might be able to take into account the geographical situation and any special circumstances which the Members of the League might wish to put forward as important to their national security, the Council, on the proposal of the Temporary Mixed Commission, addressed an enquiry to the Members of the League inviting them to make statements as to the considerations which they wished to urge in this connection. The purpose of this enquiry was to discover, not only the geographical considerations which affect the defence of various countries, but also the political dangers which the Governments have to take into account, the extent to which the forces they maintain are required for internal purposes and to what extent they are required for defence against the danger of aggression from without. It was believed that the statements made by the Governments in reply to the Council's enquiry would provide material with which the Temporary Mixed Commission could prepare plans for the reduction of armaments.

Up to the present time the Temporary Mixed Commission has received and has taken into consideration statements made by the Governments of 26 Members of the League, including all the greater military Powers. The report of the Temporary Mixed Commission shows that these statements will be of great value in its future work. The statements, for the most part, have dealt adequately with all the considerations enumerated in Article 8 of the Covenant. They show that the forces maintained by the various Governments for the purpose of the maintenance of internal order are relatively very small; that in consequence, the military effort made by the various countries is almost exclusively intended as defence against aggression from without; and that the dangers of such aggression result from political situations in which it may be hoped that the action of the League will be of value.

It is evidently desirable that the other Members of the League which have not as yet found it possible to send in statements in reply to the enquiries made by the Council should do so without delay.

The Third Committee accordingly recommends the following Resolution for adoption by the Assembly :—

The Assembly, having considered the answers which have been made by the Governments of 26 Members of the League to the enquiry as to the requirements of national security issued to them by the Council, desires to express its opinion of the high value of those replies as affording a basis for the further deliberations of the Temporary Mixed Commission, and recommends to the Council that it should once again urge the Members of the League which have not yet sent in their replies to do so without delay.

8.—*Exchange of Information.*

The Temporary Mixed Commission, in its report, points out that the statements made by the various Governments in reply to the enquiry of the Council constitute, in fact, an interchange of information not unlike that which the Members of the League undertook to carry out in accordance with the last paragraph of Article 8 of the Covenant.

The question was submitted to the Council by the Permanent Advisory Commission two years ago. In the opinion of the Third Committee, it is most desirable that the complete interchange of information contemplated by Article 8 of the Covenant should take place, and it therefore recommends for adoption the following resolution :—

The Assembly approves the recommendation of the Temporary Mixed Commission that the Council should consider whether the time has not come to discuss the application of the paragraph of Article 8 of the Covenant relating to the exchange of military information between States Members of the League.

9.—*Washington Conference.*

The Report of the Temporary Mixed Commission rightly points out that, despite the great political difficulties from which the world is at present suffering, the spirit of international co-operation aiming at peace which inspires the League of Nations can also be observed at work in other places. The T.M.C. sees two examples of this spirit in the Conference which took place at Washington during last autumn, and the Pan-American Congress which will take place in Santiago during the coming spring.

At the suggestion of the T.M.C., the Second Assembly had declared that "no complete scheme of reduction of armaments can be carried out without the co-operation of the United States, Germany and Russia. In particular, the naval strength of the first-named Power makes any scheme of naval disarmament impossible without her support, and it is for that reason, among others, that the Committee warmly welcomes the forthcoming Conference at Washington, and trusts that it may be fruitful in securing a large measure of reduction of armaments."

In its Report to the Council, the T.M.C. expresses "its satisfaction at the work accomplished at Washington in connection with the reduction of naval armaments." The Third Committee is sure that the Assembly will heartily endorse the satisfaction of the Temporary Mixed Commission at the success achieved in Washington in a problem in which it takes so deep an interest.

10.—*Pan-American Conference at Santiago.*

The fact that the question of the reduction of armaments was to be submitted to the coming Pan-American Conference at Santiago was communicated to the T.M.C. by its Chilian Member, M. Rivas-Vicuña.

In its general report, the Commission naturally expressed its interest in this question, on which it adopted the following Resolution : —

"The Temporary Mixed Commission notes the declarations made at its fourth Session by M. Rivas-Vicuña, on behalf of the Chilian Government, and welcomes with interest the Chilian Government's intention of submitting the question of disarmament to the Pan-American Congress which is to meet at Santiago in March 1923.

"The Commission expresses the hope that the Congress may arrive at practical solutions capable of being fitted into the more general scheme of disarmament which is the subject of the Commission's own labours."

This subject was raised during the debates of the Third Committee in connection with the proposed extension of the principles of the Washington Treaty to the non-signatory Powers, and M. Rivas-Vicuña expressed the opinion that "the co-operation of the technical organisations of the League of Nations and of those which contributed to the Washington Conference would be of inestimable value for the work of the Santiago Conference."

The Third Committee decided to adopt as its own the above resolution taken on the matter by the Temporary Mixed Commission.

II.—Reduction of Naval Armaments.

The Third Committee has considered the recommendations made by the Temporary Mixed Commission for the extension to other Powers of the principles of the Washington Treaty for the limitation of naval armaments agreed to by the United States, the British Empire, France, Italy and Japan. This part of the Report of the Temporary Mixed Commission has given peculiar satisfaction to the members of the Third Committee, because it contains a definite recommendation for practical action, which the Committee trusts may be realised without great delay.

The Temporary Mixed Commission forwarded to the Council and the Assembly a draft treaty on the subject, which had been drawn up by the Naval Sub Commission of the Permanent Advisory Commission. This treaty is modelled very closely on that agreed to by the Washington Conference, and provides for the limitation of the total tonnage in capital ships and aircraft carriers to be maintained by the various Powers, and also for the limitation of the size and armament of capital ships and other craft. As proposed in the report of the Naval Sub-Commission which accompanied the draft treaty, it would provide a "naval holiday" for 10 years. The Temporary Mixed Commission proposes that a conference should be summoned at an early date to draw up a definite treaty, and suggests that this draft might serve as a basis for the deliberations of this Conference. It also proposes that all States, whether Members of the League or not, should be invited to participate in this Conference.

The Third Committee is entirely in agreement with the Temporary Mixed Commission in thinking it desirable that a Conference should be summoned at an early date and that all States, whether Members of the League or not, should be invited to take part. It considers, however, that a certain elasticity with regard to the programme for this Conference should be allowed and that it should be made quite clear that the Conference would not be in any way bound by the draft treaty, but that, on the contrary, it should be free to take into consideration the special circumstances in any country, and, in particular, the special circumstances of new States which as yet have no navies. While agreeing to this view, however, the Third Committee feels strongly the great desirability of securing immediate limitation of the naval forces maintained by all countries, in order that the peoples of the world may be spared the economic burden which would be laid upon them by increases in the total tonnage or in the size of warships maintained by their Governments. The Third Committee therefore recommends for the adoption of the Assembly the following Resolution :—

(*a*) That an International Conference should be summoned by the Council as soon as possible, to which all States, whether Members of the League or not, should be invited, with a view to considering the extension of the principles of the Washington Treaty for the limitation of naval armaments to all non-signatory States, it being understood that any special cases, including that of the new States, shall be given due consideration at the Conference ;

(*b*) That the Report of the Temporary Mixed Commission, together with the Report and the Draft Convention prepared by the Permanent Advisory Commission, as well as the text of the Washington Treaty, should be forwarded immediately to the various Governments for consideration.

III.—Reduction of Land and Air Armaments.

In its consideration of a plan for the reduction of land armaments, the Temporary Mixed Commission began its deliberations on the basis of resolutions laid before it by Lord Esher. These resolutions, which included a proposal for a definite scale of reduction of peace effectives to be adopted by the various Governments of Europe, was subjected to very careful examination by the Temporary Mixed Commission and by a sub-committee which they appointed, as well as by the Permanent Advisory Commission at the request of the Council. The sub-committee and the Commission itself came to the conclusion, which was also that of the Permanent Advisory Commission, that, in the actual form in which they were put forward, Lord Esher's proposals could not be recommended for adoption. In their study of them, however, the Temporary Mixed Commission arrived at certain general principles with regard to the reduction of land armaments, on the basis of which they believe that a satisfactory plan could be worked out.

The Third Committee has considered the principles laid down by the Temporary Mixed Commission and has given them its general approval, without entering into a detailed examination of how they can be utilised in the framing of a definite treaty of reduction, a point on which there were different opinions within the Commission. It is, however, of opinion that these principles constitute a considerable beginning towards the task of preparing such a treaty, and it considers that the Temporary Mixed Commission should be instructed to press forward without delay its investigations on this subject. It believes that the Temporary Mixed Commission should work out its principles in more detail, should elaborate the method by which they can be applied in the framing of an agreement for reduction, and should then formulate as definitely as possible a scheme founded on these principles. As has been said above, the co-operation of the Ministries of War of the various Members of the League may be of particular importance in this part of the work of the Temporary Mixed Commission, and the Third Committee is confident that the Members of the League will lend their full assistance in this respect.

It recommends for the adoption of the Assembly the following Resolution :—

The Assembly, having examined the Report of the Temporary Mixed Commission on the general principles of land and air disarmament, instructs the Commission to continue its investigations on the basis of these principles, with a view to preparing for the consideration of the next Assembly a definite scheme for the general reduction of land armaments.

IV.—Treaty of Mutual Guarantee.

The Temporary Mixed Commission, in its Report, set forth the view that, to render possible the reduction of land armaments, certain political conditions must be fulfilled. In the opinion of the Temporary Mixed Commission the first of these conditions is the provision by a Treaty of Mutual Guarantee of that confidence and sense of security without which many Governments will not take the responsibility of reducing their means of defence. This conclusion the Temporary Mixed Commission put forward in four resolutions which it adopted. These resolutions are founded on the principle that the reduction of armaments, to be fully successful, must be general. With this principle the Third Committee is in general agreement, although, as appears from Part V. of this Report, it does not exclude the possibility that, in some parts of the world, the geographical situation of certain groups of Powers might enable them to agree among themselves to a separate regional arrangement for reduction.

From the principle that the reduction of armaments must be general, the Temporary Mixed Commission passed to a second conclusion—that many Governments cannot, in the present condition of the world, take the responsibility of reducing their means of defence unless they receive in exchange some guarantee of security against attack from without. Unless they receive such a guarantee, the Governments will consider it their essential duty to put forth their maximum national effort in preparation for the defence of their territory. The Temporary Mixed Commission urges that, if the Governments are to be induced to make less than their maximum national effort, they must be given some assurance that their people will not thereby incur a greater danger of invasion.

The T. M. C. suggests that such an assurance could be given to the Governments by a Treaty of Mutual Defensive Guarantee. Under such a Treaty every signatory would undertake to assist by economic and military action any other signatory that might be the victim of aggressive attack. The Commission in its report points out that the essential object of such a Treaty of Mutual Defence would be to give every State that reduced its armaments at least as great a security as it could have by its own unaided efforts if its armaments were not reduced. But it also points out that, if it came into being and were generally accepted, such a Treaty of Mutual Defence would in fact almost certainly ensure that an aggressor State could have no chance of victory; that it would not be able to present the League with a *fait accompli* achieved by violence, and that in all probability it would be immediately overwhelmed by the united forces brought against it by the guarantor States.

The Third Committee is in agreement with the views thus put forward by the Temporary Mixed Commission. It further agrees that such a Treaty of Mutual Guarantee, to be effective, must be open to every State in the world. It considers that such a Treaty cannot usefully come into being until a considerable number of States have ratified it. It thinks it highly desirable that these ratifying States should include nearly all, if not all, the greater military Powers, and it considers it probable that any attempt to bring such a Treaty into being except on these conditions might result in a re-creation of the pre-war system of group alliances. It also holds the view, however, that the Treaty need not be universally accepted before it can come into effect, and it therefore proposes that the Temporary Mixed Commission should be instructed to study this aspect of the matter and to formulate views as to the conditions upon which such a Treaty can usefully be brought into force.

The purpose of such a Treaty of Mutual Guarantee is, however, merely to render possible the reduction of armaments, and in this connection its efficacy will evidently depend in a great measure on the number of States that participate in the Treaty. It is evident that the greater the number of States that participate the more effective will be the guarantee and the greater the reduction of armaments which will be rendered possible. But on this point again the Committee feels that it is not possible for it to formulate any definite views as to the actual stages by means of which the reduction of armaments can be brought about. It therefore proposes that this intricate matter, together with that of the bringing into force of the Treaty of Mutual Guarantee, should be referred to the Temporary Mixed Commission for its investigation and report.

The Committee, however, has felt able to accept the broad general principle that the Treaty of Guarantee and the Reduction of Armaments are the two essential parts of one policy, and that as far as is possible they must be brought into effect at the same time. The Reduction of Armaments, in that line of thought, must depend on the Guarantee and the Guarantee must equally depend upon the Reduction of Armaments. On this basis the Temporary Mixed Commission is asked to work out the process and machinery by means of which the two measures can come into force together.

The Third Committee felt that it is of great importance that, in carrying out this further work on these difficult questions, the Temporary Mixed Commission should have the advantage of knowing the views of the Governments of the Members of the League. While proposing

therefore that the Commission should be instructed to draw up its proposal in the concrete form of a draft treaty, the Third Committee also recommends that the Governments should be invited to transmit to the Council their observations on the subject. Here again, as in connection with the elaboration of a scheme for reduction of land armaments, it is evident that the Governments of the Members of the League can render the Council and the Temporary Mixed Commission great service.

In the meantime, however, the Temporary Mixed Commission has already done admirable work in a preliminary investigation of the practical steps by means of which such a Treaty of Mutual Guarantee can be made effective, and in its report it has laid down general principles upon which it believes such a Treaty must be drawn up. In doing this, its purpose has rightly been to show that such a guarantee as is proposed could be made of immediate military assistance to any State that was attacked. To this end it has pointed out that it is essential to find a method of solving the two main problems :—

First, when an outbreak of war has occurred, to determine with the briefest possible delay which State is the aggressor.

Second, to devise the machinery by means of which mutual military aid can be brought without the delay which might prove fatal to the State which is attacked.

With regard to the first of these problems, the Temporary Mixed Commission proposes that the Council of the League should decide, if necessary, by a three-quarters majority, which State is the aggressor, and should be obliged to do so within a period of not more than four days. It suggests that a simple and effective test would be to lay down that that State is the aggressor which has deliberately violated the territory of another, and that for determining this the Council might send an expert commission to the spot to enquire into the facts of the situation. It may be, however, that further investigation will show that a better test of aggression might be devised.

For the second purpose, namely, that of securing that the military aid which is brought shall arrive without the delay which might prove fatal, the Temporary Mixed Commission has made further proposals as to the lines upon which military collaboration between the State which is attacked and the other guarantor States might be carried out. It also suggests that, in addition to the various forms of economic pressure which are provided for in the Covenant and which can be readily applied, certain armed forces, such as aircraft and warships, are rapidly available and are very likely to be effective in the initial stages of a war.

The Third Committee has not thought it possible to examine these proposals in detail, and it cannot therefore form any final judgment upon them. But it thinks it right to make a general expression of its sense of the value of the work which the Temporary Mixed Commission has done and of the suggestions which it has made, and to ask it to continue to work out in more detail for next year's Assembly the principles which it has put forward.

The Third Committee is confident that, if such a plan for a Treaty of Mutual Guarantee as is proposed can be successfully carried through, it will do much to create that sense of security which will enable the reduction of armaments to be carried out. This is the whole purpose of the proposals made by the Temporary Mixed Commission. But the Committee feels it necessary to point out with great emphasis that the acceptance of these principles means the recognition of the fact that, to secure the benefits of a general reduction of armaments, Governments must be prepared in case of necessity to act up to them. This the Third Committee believes the Governments of the Members of the League are ready to do, provided they are certain that in doing so they will secure the great end which they have in view. In this belief the Third Committee proposes to the Assembly the adoption of the following Resolutions :—

The Assembly, having considered the Report of the Temporary Mixed Commission on the question of a General Treaty of Mutual Guarantee; being of opinion that this Report could in no way affect the complete validity of all the Treaties of Peace or other schemes which are known to exist between States; and that this Report contains valuable suggestions as to the methods by which a Treaty of Mutual Guarantee could be made effective, approves the following Resolutions :—

(1) No scheme for the reduction of armaments, within the meaning of Article 8 of the Covenant, can be fully successful unless it is general.

(2) In the present state of the world many Governments would be unable to accept the responsibility for a serious reduction of armaments unless they received in exchange a satisfactory guarantee of the safety of their countries.

(3) Such a guarantee can be found in a defensive agreement which should be open to all countries, binding them to provide immediate and effective assistance in accordance with a pre-arranged plan in the event of one of them being attacked, provided that the obligation to render assistance to a country attacked shall be limited in principle to those countries situated in the same part of the globe. In cases, however, where, for historical, geographical, or other reasons, a country is in special danger of attack, detailed arrangements should be made for its defence in accordance with the above-mentioned plan.

(4) As a general reduction of armaments is the object of the preceding resolutions, and the Treaty of Mutual Guarantee the means of achieving that object, previous consent to this reduction is therefore the first condition for the Treaty.

This reduction should be carried out either by means of a general Treaty, which is the most desirable plan, or by means of partial treaties designed to be extended and open to all countries.

In the former case, the Treaty will carry with it a general reduction of armaments. In the latter case, the reduction should be proportionate to the guarantees afforded by the Treaty.

The Council of the League, after having taken the advice of the Temporary Mixed Commission, which will examine how each of these two systems could be carried out, will further formulate the plan on which the Governments will be invited to express their views and to give an independent decision for the machinery, at the same time political and military, necessary to bring them clearly into effect.

The Assembly requests the Council to submit to the various Governments the above proposals for their observation, and requests the Temporary Mixed Commission to continue its investigations, and, in order to give precision to the above resolutions, to prepare a draft Treaty embodying the principles contained in them.

V.—Regional Agreements for the Reduction of Armaments.

In the previous sections of this Report, the Third Committee has considered the problem of the reduction of armaments as being a matter which must be carried out by general conventions entered into by all the States which are Members of the League, and dealing with, in the first place, naval armaments, and, in the second place, land and aerial armaments.

The Committee is nevertheless of the view that, in certain parts of the world, the geographical and political conditions are such that the States which are situated there may be able with advantage and without sacrifice of security to go further in the direction of reduction, either on sea or on land, than can be achieved by other States less fortunately situated. For this reason it considers that the Temporary Mixed Commission should be instructed to investigate the possibilities of progress in this direction, and it therefore recommends to the Assembly the adoption of the following Resolution:—

The Assembly of the League of Nations,

Whilst declaring that the reduction of armaments contemplated by Article 8 of the Covenant cannot achieve its full effect for world-peace unless it be general,

Desires to emphasise the importance of regional agreements for the purpose of reducing armaments—agreements which, if necessary, might even go beyond the measures decided upon in respect of general reduction;

And requests the Council to ask the Temporary Mixed Commission to take into consideration, during its subsequent work, the possibility of recommending the conclusion of similar agreements to States which might be concerned.

VI.—General Conclusions.

The Temporary Mixed Commission has in its Report explained at length the difficulties which it has encountered in working out a practical scheme for the reduction of armaments, and it has indicated the lines on which it hopes a solution of them may be found.

But the Third Committee is of opinion that, in spite of the great economic pressure which every Government feels and which operates in favour of reduction of armaments, the political and economic condition of Europe is so precarious that no general scheme for reduction of the means of defence would at the present time be accepted. It is not only that the Governments of many countries are pre-occupied by the imminence of great catastrophes with incalculable consequences. Apart from these menacing dangers, the general economic situation is such that the world is kept in a condition of suspicion and unrest incompatible with real peace. Without peace, without moral disarmament, plans for the reduction of material armaments are vain.

Anyone who seeks to reduce armaments, therefore, must proceed to the further question: What are the causes that are paralysing the machinery of international commerce and exchange and producing economic and political unrest? The answer is well known. Beyond a doubt, the cause that is of overwhelming importance is the intergovernmental indebtedness which is embarrassing the Governments of all the greater States of Europe.

These intergovernmental debts, whether they take the form of reparation obligations, of relief credits or of the debts contracted between the Allies in the Great War, constitute an obstacle which must be removed before the economic life of Europe can be re-established. Until measures have been taken to this end, there can be no hope that the fall of the

exchanges can be checked and international commerce can again flourish. The Financial Committee of the League has expressed itself as follows: "It is our firm conviction that it is hopeless to expect the economic welfare of the world to be restored until the problem of intergovernmental indebtedness has been solved in a sober and practical manner." And the Third Committee believes it may be taken as generally accepted that the machinery of exchange of products, by means of which European nations have always lived, cannot be reinstated until this problem has been satisfactorily settled.

The Third Committee is of opinion that action on this matter should be taken as soon as possible. It may be that a full solution cannot be hoped for without the assistance of the United States. But that is no reason for doing nothing until that assistance is forthcoming. With the collaboration of European Governments and those outside Europe which are, as we are happy to know, ready to help, much may be done; and if so, it should be done without delay. For all competent observers agree that the time within which Europe can find financial salvation and thus avert the disasters that are impending is now short.

The Committee does not feel it within its province to propose more precisely the measures that are required nor the part which the League of Nations might usefully be called upon to take in finding a solution. They feel it their duty to urge the pressing necessity for action and to repeat once more that, until the financial difficulties of Europe are settled, there can be no return of political confidence and stability; and without these conditions there can be none of that moral disarmament upon which any scheme for the reduction of material armaments must depend for its success. It therefore proposes the following resolution:

The Assembly,

Considering that moral disarmament is an essential preliminary condition of material disarmament, and that this moral disarmament can only be achieved in an atmosphere of mutual confidence and security;

Declares:

That such confidence cannot be attained so long as the world continues to suffer from disorganisation of the exchanges, economic chaos and unemployment, and that the only method of remedying these evils is to put an end to the uncertainty which prevails regarding the means for the restoration of the devastated regions and the settlement of the inter-Allied debts;

Expresses the hope that, in so far as these questions can be regulated by the unaided efforts of the European nations, the Government signatories of the international treaties and agreements which deal with these questions, and within the framework of which they must be envisaged, will achieve as soon as possible a general settlement of the problem of reparations and inter-Allied debts;

And it further recommends:

That the Council shall devote constant attention to every effort made in this direction by the Governments concerned, it being understood that it can only usefully assist in the solution of these problems if requested to do so by the Governments in question

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ANNEX IX.—*Report on the Audited Accounts of the Third Fiscal period (1921), the Budget for the Fifth Fiscal Period (1923), the Reports of the Commission of Control, and miscellaneous Financial Questions, presented to the Third Assembly by its Fourth Committee.* (Rapporteur: *His Excellency M. Minéitciró Adatci.*)

As the Fourth Committee had a particularly heavy agenda, it decided to divide its work among three *Rapporteurs*. Two of its members have been requested to submit to the Assembly the conclusions adopted by the Committee with regard to the financial regulations and the financial situation of the League in respect of arrears of contributions, whilst the Budget, the audited accounts and certain other kindred questions are dealt with in the present report.

The Committee fully realised the importance of its task, and has devoted 17 long meetings to the study of the very complex questions on its agenda. In order to terminate its work in time, it has been obliged to hold several night sittings, and in order to expedite its work it appointed two sub-committees, which have also worked very hard. The Committee wishes to take this occasion to express to the Secretariat its thanks for its collaboration.

Having drawn up its final agenda, the Committee proceeded to examine in detail the various questions which it had been asked to consider. These questions may be divided as follows:—

I.—Audited Accounts, Reports of the Commission of Control, and Budget;

II.—Miscellaneous Questions.

I.—Audited Accounts, Reports of the Commission of Control, and Budget.

(a) *Audited Accounts for the Third Fiscal Period (1921).*

In accordance with Article 8 of the Assembly's recommendation dated 17th December 1920, the Council, by a Resolution dated 10th January 1922, requested the Netherlands Government to take charge of the auditing of the accounts for the third fiscal period (1921). The Netherlands Government appointed M. Zuyderhoff, Member of its auditing department, to undertake this work, and M. C. V. A. Aarsse and M. J. H. Bruyn, respectively Director and Clerk of the auditing department, to assist him. These officials carried out, between 24th March and 1st April, the auditing of the accounts of the International Labour Office, and between 3rd April and 26th April, those of the Secretariat. M. Zuyderhoff approved the accounts of both organisations, subject to three reservations which appeared in his report.

Before entering upon a detailed discussion of the audited accounts, the Committee considered it advisable to ask M. Zuyderhoff to give them some general explanations. After paying a warm tribute to the financial administration of the Secretariat and that of the International Labour Office, M. Zuyderhoff stated that the few clerical errors which he had discovered in the accounts did not in any way prejudice the League of Nations. He pointed out in particular that the excess of receipts over expenditure, which according to the accounts amounted on 31st December 1921 to about 7 million gold francs, only existed on paper, in view of the fact that at that date the unpaid contributions amounted to 7,431,225 gold francs, the cash excess amounting actually to 67,682 gold francs.

M. Zuyderhoff stated that the majority of the proposals which he had submitted had been accepted or were now being carried out.

The general discussion which took place after the statement of the auditor referred chiefly to two items—recoverable expenses and unforeseen expenditure subject to the preliminary approval of the Council. The discussion was resumed at a later meeting (*see* chapter II (*d*)).

The Commission was of opinion that it was necessary to set out more explicitly the decisions of the Council involving expenditure under the heading "Unforeseen Expenditure of the Council." The Commission recommended that in future a document containing extracts of the Minutes and Resolutions adopted by the Council concerning such unforeseen expenditure should be attached to the audited accounts in the form of an Annex.

The Commission proposes to the Assembly the adoption of the following Resolution :—

> "The Assembly of the League of Nations finally passes the expenditure and income accounts for the third fiscal period ending 31st December 1921."

(b) *Reports of the Commission of Control.*

The Fourth Committee, at its first meeting, thanked the Commission of Control for all the work which it had accomplished—work which had greatly facilitated the Committee's task. The Chairman and Committee unanimously expressed to the Chairman and Members of the Commission of Control their sincere thanks for the services which the latter had rendered to the League of Nations.

After listening to a statement by M. Noblemaire, Chairman of the Commission of Control, who alluded to the recommendations of the Committee of Enquiry adopted by the Second Assembly and carried out by the various organisations of the League and then outlined the work achieved by the Commission, the Fourth Committee decided to proceed immediately to the examination of the Budget, using the Reports of the Commission of Control as a guide and commentary.

At its 16th meeting the Fourth Committee gave further consideration to the reports. It proposes to the Assembly the adoption of the following resolution :—

> "The Assembly adopts the First Report of the Commission of Control and the Supplementary Report in so far as its recommendations have not already been acted upon or are not at variance with other specific decisions of the Third Assembly or of its Fourth Committee." II. 39 of 29th Sept. p. 3 First Report.

(c) *Budget : General Observations.*

The full and detailed examination to which each item in the budgets of the various League organisations was subjected gave rise to fruitful and important discussions, in the course of which much information and explanation was furnished. A detailed report of these discussions will be found in the Minutes of the first 15 meetings held by the Committee, and the amendments to the Budget appear in the Schedule attached thereto. The present Report is accordingly restricted to the general comments made by the Fourth Committee when examining the budgets of the principal organisations of the League.

(d) *Budget of the Permanent Court of International Justice.*

In view of the fact that the budget of the Permanent Court of International Justice was for the first time submitted by the Court itself, the Committee wishes particularly to point out that this budget, together with the financial administration of the Court, must remain subject to the full and complete control of the Commission of Control and of the Assembly, in accordance with the financial regulations drawn up by the Commission of Control. The

Committee, whilst recognising the difficulty for the Court to draw up a very detailed budget after hardly two months' activity, makes the following special recommendations :—

(1) That in future, the details of the Court Budget should be as complete as those of the Budgets of the Secretariat and the International Labour Office. The Budgets of all League Organisations should be drawn up on the same principles.

(2) That, in general, the Court and also all other Organisations of the League should, in their budgetary statements, use more accurate terminology.

(*e*) *Budget of the International Labour Organisation.*

The Committee wishes to make the following observations with regard to the International Labour Organisation :—

(1) One of the Members of the Committee remarked that the number of higher officials in the International Labour Office belonging to countries outside Europe, and particularly to the Far East, was not proportionate to the industrial importance of those countries. The same member also drew attention to the fact that the Office did not sufficiently keep in touch with these countries.

(2) It would be desirable that, whenever the International Labour Office has recourse to he Working Capital Fund for recoverable expenditure it should adopt a procedure similar to hat of the Secretariat as regards obtaining its Governing Body's previous consent, &c.

(3) The governmental accountancy system should be adopted by the Labour Office, and it should draw up its Budget in the same manner as the Secretariat. Broadly speaking, it would be expedient in future budgets to group the departments in a more logical order and to give a brief indication of the duties of each department.

(4) Expenses on account of Commissions and for various enquiries should be reduced to the minimum possible, in accordance with the general principles laid down by the Budget Committee of the Governing Body of the International Labour Office at its meeting held in April 1921.

(5) After some discussion, the Fourth Committee decided not to consider the solution of the problem which might arise if the General Labour Conference and the Governing Body of the International Labour Office were to formulate proposals involving expenditure which the Commission of Control and the Assembly were unable to accept.

The Committee is of opinion that the present procedure, under which the expenditure of the International Labour Organisation must be submitted to the Assembly for final approval, has, in the last two years, given the best results, and that there is no occasion to recommend that the Assembly should investigate the question of the competence of either organization as regards finance. No difficulties are likely to arise if the two organisations continue to show good will and mutual confidence as heretofore.

The Committee examined the documents furnished by the International Labour Office, and requested the Director to make a statement upon the work achieved last year, and unanimously agreed as to the striking results obtained.

The work undertaken with a view to securing the ratification of International Labour Conventions, although involving specially great difficulties during the present economic crisis has, nevertheless, been pursued with success. The Organisation has up to the present date recorded 46 ratifications as compared with 30 last year—an increase of 16 for the year 1922.

Legislation for the protection of the working classes, which is based upon the decisions of the Conference, but which does not always appear in ratified conventions bears, witness in a still more striking manner to the achievements of the Office as regards the general improvement in the conditions of labour.

The Office is already rendering the States Members of the Organisation noteworthy and immediate service as an organ of information and documentation, and secures definite economies for all States, provided that they correspond regularly with the International Labour Office, with a view to obtaining all the documentation which they require.

Numerous as the Office's publications are, each one has a clearly defined object, and their scientific value becomes greater day by day.

Finally, and above all, it should be noted that, as a result of the intervention on the part of the Office, as laid down in the Treaty, and the spontaneous requests for intervention made by States Members of the Organisation, the Office plays a part which is, even now, by no means inconsiderable in the work of reconstruction undertaken by the League of Nations.

The final establishment of peace, founded, as the Treaty of Peace says, "upon social justice," may be greatly promoted by the possession of an organisation in which employers and employees, in spite of all social conflicts, may meet for discussion under the same roof, and seek together for equitable solutions of their various problems.

The moral authority and credit of the International Labour Office, so wisely and energetically directed by M. Albert Thomas, will more and more contribute to the success of the work of the League of Nations.

(f) Budget of the Secretariat and of the Special Organisations of the League.

Before considering the Budget of the Secretariat and of the special organisations of the League, the Committee listened with much interest to a statement by the Secretary-General, outlining broadly the intricate and difficult problems raised by the preparation of estimates for an institution such as the League of Nations.

The Committee agreed with the Secretary-General's observations that the League's increased expenditure is mainly due to the new tasks continually thrust upon the Secretariat by the various international Conferences and technical organisations created by the League; each time a question is thus referred to the League, additional expenditure must sooner or later be incurred.

The Committee also considered that although it is possible to reduce the expenditure of the various national administrations, which have developed enormously during the war, it would be by no means easy to make a similar reduction as regards the Secretariat, inasmuch as the latter's scope is continually being extended. The Committee also realised that the total expenditure finally depends upon the policy pursued by the directing organisations of the League.

Although, in spite of the very full explanations which have been supplied and of the great importance of all proposals which had been submitted to it, the Committee have nevertheless thought it necessary to make certain reductions here and there in the Budget, it has not done so out of narrow-mindedness, nor out of ill-will towards the League or the Secretariat. On the contrary, the Committee believes that the League of Nations largely owes its continued development, in spite of all the attacks made upon it, to the Secretariat and its distinguished head, Sir Eric Drummond, whose untiring devotion is the subject of universal commendation. The Committee wishes to associate itself fully and entirely with the conclusions adopted by the Second Assembly on the Report of the Commission of Enquiry, and desires to place on record its gratitude to the officials of the Secretariat and its admiration for the work they have accomplished.

The Committee was unanimously of opinion that, in view of the present crisis, all possible economies must without fail be realised. From the outset the Committee thought that a clear distinction should be made between absolutely unavoidable expenditure and expenditure which could be postponed to a later date. If the Committee has never swerved from the path which it marked out for itself, it feels sure that it has never in any manner impaired the general interests of the League of Nations, whose development is the surest guarantee of the world's peace.

The Committee feels it should point out that if, in spite of frequent night sittings, the discussion on the Budget was shorter than could have been expected, this is partly due to the conviction that the financial regulations afforded States Members of the League all the requisite safeguards.

The Committee wishes to thank the Commission of Control for this important work.

The Fourth Committee desires to lay special stress upon the following observations:—

1. The Committee expresses its full and entire agreement as to the moral and financial advantages which would be secured to the League of Nations if all its Commissions were to meet at the headquarters of the League. On M Adatci's proposal, the Committee adopted the following Resolution:—

"The Fourth Committee invites the Assembly to recommend that, in view of the necessity of realising economies in the financial administration of the League, the Council should always hold its sessions at Geneva, except in the case of absolutely exceptional circumstances necessitating a session in some other town."

2. The Committee recommends that the Secretariat should investigate M. Modzewski's proposal that two new categories of officials in the Secretariat should be established, the salaries for these officials to be slightly lower than those of members of Section Class A and B.

In this connection, the Committee took note of the Secretary-General's statement that the contracts of members of the Secretariat included a clause by which salaries will be automatically reduced in proportion to the decrease of the cost of living. Under these circumstances it might hardly seem necessary to create new categories.

3. The Committee recommended that, except in the case of special requests on the part of the Delegations or Governments concerned, documents should in future only be distributed to them in one language. The adoption of this recommendation will result without doubt in a considerable economy.

4. The Committee recommends that in the 1924 Budget the margin estimated for new requirements as to staff be reduced. A certain number of members thought that, in view of the actual strength of the Secretariat on 31st August, the number of posts provided for in the Budget appeared excessive. The Committee took note of the explanation that, on account of the League's financial difficulties, the Secretary-General, for reasons of economy, had not filled up all the posts provided for in the Budget.

5. In agreement with the Secretary-General and the Director of the International Labour Office, the Committee recommends that a committee of experts be appointed to investigate the organisation and administration of the libraries of the two organisations. It thought that this Committee should be instructed to draw up recommendations, bearing in mind both the general requirements of the Secretariat and the International Labour Office and the necessity of securing economies.

6. Upon the proposal of all delegations of the Central and South American countries, the Committee recommends that the Liaison Office with Central and South America should be established in Geneva and not in America. The adoption of a roster would enable the Republics in Central and South America to be represented by officials of each nation in turn.

7. The Committee authorised the Secretary-General to communicate to those countries which have not yet granted free visas and passports required by the League's officials the earnest hope expressed by members of the Committee that these officials will in future receive more favourable treatment.

In view of the foregoing, the Fourth Committee has the honour to propose to the Assembly the adoption of the following Resolution: —

"The Assembly of the League of Nations, in accordance with Article 4 of the Recommendation adopted by the First Assembly on the administration of the finances of the League of Nations, dated 17th December 1920;

"Approves, for the fiscal period 1923, the general Budget of the League and the Budget for the International Labour Organisation, amounting in all to 24,933,508 francs;

"And decides that these budgets shall be published in the *Official Journal*."

II.—Miscellaneous Questions.

(a) *Offer of two Building Sites by the Swiss Confederation and by the Canton and City of Geneva.*

The Committee recommends the Assembly to accept the offer made to it of the following two sites: —

(1) The premises adjacent to the Hotel National, situated on the side nearest to the town, and having an area of 4,493 square metres:

(2) The property situated at 154, Rue de Lausanne, on the shores of the Lake, and having an area of 35,845 square metres.

It proposes that the Assembly should tender to the Federal Council and to the Canton and City of Geneva its warmest thanks for this generous offer, which constitutes a further proof of the goodwill of the Swiss authorities towards the League of Nations.

The property situated at 154, Rue de Lausanne, appears to meet all the requirements of the International Labour Office, whilst the construction of a large Hall (for Assemblies, General Labour Conferences, etc.), with committee rooms, could be undertaken upon the site situated beside the Secretariat.

The Committee is of opinion that the Council might be invited by the Assembly to take all the measures necessary for the transfer of the ownership of these two sites to the League of Nations. This transfer would involve the preliminary concession to the Canton and to the City of Geneva of the right of option possessed by the League of Nations over the property adjacent to the Secretariat.

During the course of the discussion, certain members of the Committee called attention to the economies which would result from housing the two organisations on adjoining grounds.

Finally, the Committee considers that the erection of a Hall on this site should be given very full consideration, both from a financial and from a technical point of view, and that plans and an exact estimate of costs should be submitted to the States Members of the League of Nations, in order to enable the Fourth Assembly to take whatever decision it may deem expedient.

The Committee recommends to the Assembly the adoption of the following resolution: —

"The Assembly of the League of Nations,

"Having noted the letter from the Swiss Delegation, dated 14th September 1922, addressed to the Secretariat of the League of Nations on behalf of the Federal Council and on behalf of the Council of State of the Republic and Canton of Geneva and of the Administrative Council of the City of Geneva, which provides that, subject to the ratification by the constitutional powers both Federal and Genevese, and in order to assist the League to acquire in due time premises suitable for the holding of the Assembly and for use as offices by the International Labour Office, by obtaining possession of land in Geneva suitably placed for their requirements, the following sites are offered as a gift: —

"(1) On the part of the Swiss Confederation, the premises situated at 154, Rue de Lausanne, on the shores of the Lake, and having an area of 35,845 square metres;

"(2) On the part of the Republic and Canton of Geneva and the City of Geneva, the land adjacent to the Secretariat on the side nearest to the city, and having an area of 4,493 square metres,

"Expresses its warm appreciation of the generosity and the goodwill shown towards the League of Nations which inspired these offers, and gives full powers to the Council –

"(1) To accept these offers as soon as they have both been definitely made; and

"(2) To authorise the Secretary-General to act on behalf of the League of Nations to carry out the transfer of the property rights."

(b) *Accommodation for the International Labour Office.*

The Committee adopted the Report of the Sub-Committee appointed to consider the financial aspect of new accommodation for the International Labour Office.

The Sub-Committee confirmed the views of the Commission of Enquiry, the Sub-Committee of the Second Assembly, and the Commission of Control, as regards the inadequacy of the premises at present occupied by the International Labour Office.

If the premises situated at 154, Rue de Lausanne, are placed at the disposal of the League of Nations gratis, the cost of the construction of a building suitable for use as the office of the International Labour Office must be defrayed by the League of Nations. The cost of the building is estimated by the International Labour Office architect at about 3,000,000 Swiss francs, an estimate which the Swiss representative on the Fourth Committee considers reasonable.

In view of the present financial position of the various States Members of the League of Nations, the Committee proposes that the funds required for the building of the proposed premises should be raised by including in the Budget of the League of Nations for five years as from 1926 the sum of 600,000 francs. By that date the premises occupied by the Secretariat will have been completely paid for, and no increase will require to be made in the Capital Account of the General Budget of the League of Nations. This figure of 600,000 francs will, moreover, leave a sufficient margin to enable future Assemblies, if they deem it advisable, to build an Assembly Hall upon the site adjoining the Secretariat.

Pending the inclusion of the necessary sums in the Budget of the League, measures may be taken to raise loans by giving as guarantee a mortgage on the land and premises in course of construction.

As regards the construction of the building, the Committee is of opinion that a competition is desirable, but, in view of the necessity of commencing the work as soon as possible, this competition should be restricted to Swiss architects. An international jury, however, should be constituted to judge the plans sent in for competition. The terms of the competition should state all the conditions with which the building will have to comply. It has been clearly understood that the conditions of the competition must indicate that the building required is one of a practical and simple nature, but in a style worthy of the purpose for which it is intended. Plans sent in for competition must contain an estimate of the cost, which, of necessity, should be as low as possible.

Finally, the Committee proposes to the Assembly that it should recommend that each Member of the League of Nations should contribute to the construction of the building by sending, in agreement with the architect, building material, ornaments and *objets d'art* representing the purest specimens of its national products. These gifts must, of course, be suited to the simple character prescribed for the building itself.

The Committee decided to include in the Budget of the International Labour Office for 1923 the sum of 20,000 francs, to cover the interest on the loans which will have to be contracted in 1923, and a sum of 40,000 francs for the costs of the competition.

(c) *Indemnities payable to National Judges and Technical Assessors of the Permanent Court of International Justice.*

At the request of the First Committee, which had decided the question of principle, the Fourth Committee was instructed to give its opinion on the financial aspect of the resolution, adopted by the Council at its 19th session, concerning the indemnities payable to National Judges and Technical Assessors of the Permanent Court of International Justice.

The Committee considered that, as the position of National Judges and of Deputy Judges were similar, there was no reason to alter the rate for indemnities granted to them by the Council. On the other hand, the Committee was of opinion that the indemnities proposed for the Technical Assessors were too high, as their work corresponded to that of the Members of the Advisory Committees of the League of Nations. It was unable, therefore, to approve the Council's proposal, and rejected the compromise, proposed by one of the members, reducing the duty allowance to 50 florins per day. After discussion, it decided to recommend that a single indemnity of 50 florins, known as "Daily Subsistence Allowance," should be paid to them. This recommendation was accepted by the First Committee, which further reduced the allowances of the assessors residing at The Hague to 25 florins per day. These various recommendations were adopted by the Assembly on 23rd September.

At the request of the Registrar of the Permanent Court of International Justice, acting on instructions received from the President of the Court, the Committee took note of a communication from the President of the Court to the Acting President of the Council calling attention to the fact that the Council had contemplated the possibility, in certain special cases, of calling upon the interested parties to defray the cost of the assessors' indemnities, and pointing out that this proposal was perhaps not compatible with the provisions of Article 33 of the Statute of the Court.

(d) *Recoverable Expenditure.*

The Committee is of opinion that in future it would be advisable to charge to the item "Recoverable Expenditure" all expenditure occasioned by enquiries or arbitration proceedings in respect of a single or a limited number of Members of the League, the Council having previously obtained the assurance that this expenditure would be repaid by the interested parties. In this connection, one of the Members of the Fourth Committee drew the Committee's attention to a resolution adopted by the Council at its 19th session, laying down that in future, and on principle, expenditure incurred for special investigations in any one country should be met by the Government of that country. After discussion, the Committee adopted the following resolution :—

"With regard to the decision of the Council, dated 21st July 1922, the Fourth Committee desires to express its full approval of the principle that expenditure incurred for special investigations in the particular interests of one or more Members of the League shall be met by that or those Members of the League."

(e) *Limitation of the Expenditure incurred by the Council.*

The Committee is of the opinion that, in view of the present financial crisis, the expenditure of the League must be restricted within the closest possible limits. The Committee considered it advisable for the Council, when requested to consider proposals involving the League in new expenditure, to be able to plead an Assembly resolution urging the necessity for refraining from incurring additional expenditure except after full consideration.

It therefore adopted the following resolution :—

"The Assembly,

"Considering that the present financial position of all countries renders the strictest economy necessary on the part of the League of Nations, especially in so far as new work involving the League in new expenditure is concerned, even if this work was contemplated by conventions or resolutions antedating the present session of the Assembly :

"Requests the Council of the League and the Governing Body of the International Labour Office to see that work of this nature should be undertaken between the Third and Fourth Assemblies only in cases of extreme urgency.

"The Assembly also requests the Council of the League and the Governing Body of the International Labour Office to submit to the Fourth Assembly a statement of new work, involving new expenditure on the part of the League, undertaken in accordance with conditions mentioned in the first paragraph."

(f) *Deferred Pay and Pensions.*

At its last meeting, and after discussion, the Fourth Committee adopted the following resolution :—

"The Fourth Committee,

"Whereas it only received the report of the Salaries Adjustment Committee on the subject of a deferred pay and pensions scheme for the Secretariat and International Labour Office at its last meeting, two days before the close of the Assembly,

"Whereas it was impossible in these circumstances to consider this question with the necessary care :

"Recommends the Assembly to transmit the report that was submitted to it to the Commission of Control and requests the Council to submit to the Members a final report four months before the opening of the fourth session of the Assembly."

(g) *Pension for Dr. Pardo's Child.*

The Committee felt much sympathy for the case of Dr. Pardo, an official of the International Labour Office, who died while on a mission to Russia, leaving a young child in difficult circumstances. The Committee duly signified its approval of the decision of the Governing Body of the International Labour Office, recommending that a sum equivalent to one-fourth of Dr. Pardo's salary should be devoted to the maintenance and education of his son.

The Committee decided to include for this purpose a sum of 7,500 francs in the Supplementary Estimates.

The Report of the Fourth Committee would not be complete without an expression of the gratitude felt by all the members of the Committee towards their distinguished Chairman, M. Zahle. His task, in the opinion of all, was a heavy and difficult one, and no one could have discharged it with greater devotion or competence.

The resolutions proposed by the Committee were unanimously adopted by the Assembly in the following form:—

I.—The Assembly of the League of Nations finally passes the expenditure and income accounts for the third fiscal period ending 31st December 1921. Resolution No. 39 (29th Sept. 1922).

II.—The Assembly adopts the first report of the Supervisory Commission (Commission de Contrôle) and the Supplementary Report (A. 7, 1922, X. and A. 7 (*b*) 1922 X.) in so far as their recommendations have not already been acted upon or are not at variance with other specific decisions of the Third Assembly or of its Fourth Committee.

III.—The Assembly, whereas the work undertaken by the Committee on Intellectual Co-operation, in accordance with the decision of the Second Assembly, cannot be satisfactorily carried out without adequate financial provisions in the Budget,

Decides to raise the credit for this purpose under the Item of "International Bureaux and Miscellaneous Questions" from 125,000 francs as proposed by the Fourth Committee to 175,000 francs.

IV.—The Assembly of the League of Nations, in accordance with Article 4 of the recommendation adopted by the First Assembly on the administration of the finances of the League of Nations, dated 17th December 1920,

Approves, for the fiscal period 1923, the general Budget of the League, the Budget for the International Labour Organisation, and the supplementary credits, amounting in all to 25,673,508 francs;

And decides that these budgets shall be published in the *Official Journal*.

V.—The Assembly of the League of Nations,

Having noted the letter from the Swiss Delegation, dated 14th September 1922, addressed to the Secretariat of the League of Nations on behalf of the Federal Council and on behalf of the Council of State of the Republic and Canton of Geneva and of the Administrative Council of the City of Geneva, by which, subject to the ratification by the constitutional powers both Federal and Genevese, and in order to assist the League to build in due time premises suitable for the holding of the Assembly and for use as offices by the International Labour Office, by obtaining possession of land in Geneva, suitably placed for their requirements, the following sites are offered as a gift:

(1) On the part of the Swiss Confederation, the premises situated at 154, Rue de Lausanne, on the shores of the Lake, and having an area of 35,843 square metres;

(2) On the part of the Republic and Canton of Geneva and the City of Geneva, the land adjacent to the Secretariat on the side nearest to the city, and having an area of 4,493 square metres,

Expresses its warm appreciation of the generosity and the goodwill shown towards the League of Nations which inspired these offers, and gives full powers to the Council;

(1) To accept these offers as soon as they have both been definitely made; and

(2) To authorise the Secretary-General to carry out on behalf of the League of Nations the transfer of the property rights.

VI.—The Assembly, with regard to the decision of the Council, dated 21st July 1922, desires to express its full approval of the principle that expenditure incurred for special investigations in the particular interests of one or more Members of the League shall be met by that or those Members of the League.

VII.—The Assembly,

Considering that the present financial position of all countries renders the strictest economy necessary on the part of the League of Nations, especially in so far as new work involving the League in new expenditure is concerned, even if this work was contemplated by conventions or resolutions antedating the present session of the Assembly:

Requests the Council of the League and the Governing Body of the International Labour Office to see that work of this nature is undertaken between the Third and Fourth Assemblies only in cases of extreme urgency;

And requests the Council of the League and the Governing Body of the International Labour Office to submit to the Fourth Assembly a statement of new work, involving new expenditure on the part of the League, undertaken in accordance with the conditions mentioned in the first paragraph.

VIII.—The Assembly,

Whereas the Fourth Committee only received the report of the Salaries Adjustment Committee (A. 149, 1922 X.) on the subject of a deferred pay and pensions scheme for the Secretariat and International Labour Office at its last meeting, two days before the close of the Assembly,

Whereas it was impossible in these circumstances to consider this question with the necessary care:

Decides to transmit the report of the Salaries Adjustment Committee to the Supervisory Commission (Commission de Contrôle) and to request the Council to submit to the Members of the League a final report four months before the opening of the fourth session of the Assembly.

Recommendation.—The Assembly recommends that, in view of the necessity of realising economies in the financial administration of the League, the Council should always hold its sessions at Geneva, except in the case of absolutely exceptional circumstances necessitating a session in some other town.

ANNEX X.—*Extract from Report of Fifth Committee on the Traffic in Women and Children.*

*Signatures and Ratifications of and Adhesions to the Arrangement of 1904, the Convention of 1910 and the Convention of 1921. The situation to date.**

ARRANGEMENT OF 1904.

Signatories.	*Ratifications.*
Belgium	22 June 1905
Denmark	18 Jan. 1905
France	Do.
Germany	Do.
Great Britain	Do.
Italy	Do.
Netherlands	14 Jan. 1907
Norway	18 Jan. 1905
Portugal	12 July 1905
Russia	18 Jan. 1905
Spain	Do.
Sweden	Do.
Switzerland	Do.
Adhesions.	
Austria-Hungary	18 Jan. 1905
Brazil	12 May 1905
Bulgaria	15 June 1921
Czecho-Slovakia	8 June 1921
Danzig	2 July 1921
Dutch Indies	14 Jan. 1907
French Colonies	18 Jan. 1905
German Colonies	14 May 1907
Luxemburg	4 July 1910
Monaco	2 July 1921
Morocco	1 Jan. 1922
Poland	28 Feb. 1922
Siam	28 Dec. 1921
Tunis	1 Jan. 1922
Uruguay	30 June 1920
British Colonies :—	
Australia	3 July 1906
Bhamas	Do.

Adhesions—contd.	
British Colonies—*contd.*	
Barbados	3 July 1906
Canada	Do.
Central Africa	Do.
Ceylon	Do.
Cyprus	...
Fiji Islands	23 Oct. 1907
Gambia	3 July 1906
Gibraltar	23 Sept. 1905
Gold Coast	3 July 1906
Guiana (British)	Do.
Hong Kong	18 Mar. 1907
India	8 Feb 1920
Jamaica	11 Mar. 1907
Kenya	4 Nov. 1921
Leeward Isles	8 April 1907
Malta	3 July 1906
New Zealand	24 Aug. 1907
Newfoundland	3 July 1906
Northern Nigeria	Do.
Nyassaland	4 Nov. 1921
Rhodesia (Southern)	3 July 1906
St. Helena	18 Mar. 1907
Senegambia	3 July 1906
Seychelles, Is.	26 Sept. 1906
Sierra Leone	11 Mar. 1907
Somaliland	Do.
Straits Settlements	4 Nov. 1921
Trinidad	3 July 1906
Uganda	1 June 1907
Wei-hai-Wei	11 May 1907
Windward Isles	3 July 1906

CONVENTION OF 1910.

Signatories.	*Ratifications.*
Austria-Hungary	8 Aug. 1912
Belgium	30 July 1914
Brazil	(Has not ratified)
Denmark	Do.
France	8 Aug. 1912
Germany	Do.
Great Britain	Do.
Italy	(Has not ratified)
Netherlands	8 Aug. 1912
Portugal	9 Sept. 1913
Russia	8 Aug. 1912
Spain	Do.
Sweden	(Has not ratified)
Adhesions.	
Bulgaria	15 June 1921
Czecho-Slovakia	8 June 1921
Danzig	2 July 1921
Dutch East Indies	5 Mar. 1922
French Colonies	1 Jan. 1922
Monaco	2 July 1921
Morocco	1 Jan. 1922
Norway	16 Dec. 1921

Adhesions—contd.	
Poland	12 Jan. 1921
Siam	28 Dec. 1921
Surinam and Curacao	14 Nov. 1921
Tunis	1 Jan. 1922
Uruguay	30 June 1920
British Colonies :—	
Bhamas	4 Nov. 1921
Canada	25 April 1921
Ceylon	4 Nov. 1921
Cyprus	Do.
Fiji Islands	Do.
Gibralter	Do.
Hongkong	Do.
India	27 May 1922
Jamaica	4 Nov. 1921
Kenya	Do.
Malta	Do.
New Zealand	1 Oct. 1913
Newfoundland	Do.
Nyassaland	4 Nov. 1921
Southern Rhodesia	Do.
Straits Settlements	Do.
Trinidad	Do.

*During the discussions in Committee V. the Delegates of the following countries stated that their Governments hoped to shortly ratify the Convention of 1921 :—Greece, Cuba, Japan, Italy, Roumania, China, Portugal, Poland, Serb Croat-Slovene, Sweden, Chile.

CONVENTION OF 1921.

Members of the League:	Signatories.	Ratifications.
		(Deposit.)
South Africa	28 June 1922	
Albania	...	
Australia	28 June 1922	
Austria	9 Aug. 1922	
Belgium	15 June 1922	
Brazil	...	
Great Britain	28 June 1922	
Canada	Do.	
China	...	
Chile	...	
Colombia	...	
Costa Rica	...	
Cuba	...	
Czecho-Slovakia	...	
Esthonia	...	
Greece	...	
Hungary	...	
India	...	
Italy	...	
Japan	...	
Latvia	...	
Lithuania	...	
New Zealand	28 June 1922	
Norway	16 Aug. 1922	

Members of the League—*contd.*	Signatories.	Ratifications.
		(Deposit).
Netherlands	...	
Persia	...	
Poland and Free City of Danzig	...	
Portugal	...	
Roumania	...	
Siam	13 July 1922	
Switzerland	...	
Sweden	...	

Non-signatories.

Argentine.	Luxemburg.
Bolivia.	Nicaragua.
Bulgaria.	Panama.
Denmark.	Paraguay.
Finland.	Peru.
France.	Salvador.
Guatemala.	Spain.
Haiti.	Serb-Croat-Slovene State.
Honduras.	Uruguay.
Liberia.	Venezuela.

Non-Member of the League.

Signatory

Germany.

ANNEX XI.—*Report of the Fifth Commission on the Traffic in Opium and other dangerous Drugs.* (Rapporteur: *Dr. Nansen.*)

In the report laid before it by its Fifth Commission, the Second Assembly was informed that the Advisory Committee on Traffic in Opium had drawn up a Questionnaire as to the measures taken to carry out the Opium Convention, and that this Questionnaire had been sent by the Secretariat to the various Governments. Basing itself upon the answers received, the Advisory Committee has, in its report of this year, given a preliminary survey of the execution of the agreements with regard to the traffic in opium and other dangerous drugs.

This Report, approved by the Council on 21st July 1922, was laid before the Fifth Commission of this Assembly. In an admirably clear and, at the same time, concentrated form, it contains a multitude of facts, all proving on the one hand the great and general interest of the questions and the importance of international co-operation in this campaign against the abuse of dangerous drugs, and proving also on the other hand the very important progress already reached during the short time which has passed since the supervision of the Opium Convention was undertaken by the League of Nations.

It would not be possible for me to refer to all the questions which the Advisory Committee has had to consider, and I desire to concentrate my observations on the points on which, at the moment, the progress of the work more immediately depends.

Following the general lines laid down in the Opium Convention, the work of the Advisory Committee is being directed towards two objects in particular, *viz.*: (1) the effective control of exports and imports of the drugs, and (2) the limitation of the production of the drugs to the world's legitimate needs. The attainment of the first object is immediately possible if, *but only* if, all the Governments are prepared to take the necessary administrative measures; the second object involves the careful collection and examination of statistics of production and consumption, and careful scientific inquiry by the medical authorities, with which some though I am afraid no very considerable progress has already been made.

The Fifth Commission has, during its consideration of the Opium Question, enjoyed the valuable assistance of Sir Malcolm Delevingne, the Chairman of the Advisory Committee. The Commission has been engaged especially with certain matters which may be grouped as follows:—

Ratifications.

The Members of the League will remember that the Second Assembly urged on every country not yet a Party to the Opium Convention of 1912, that it should ratify and put it into force with the least possible delay. Since last year a certain number of countries have taken action in response to this appeal. But there are still Members of the League which are not Parties to the Convention, and among them we find countries which are deeply concerned in this question.

The Advisory Committee mention in its Report especially the importance of Persia and Switzerland becoming full Parties to the Convention. Switzerland has now responded to the pressing appeal made to it, by authorising its representative in the Fifth Commission, Monsieur Ador, to make the following declaration :—

> "The Federal Council has instructed all the administrations concerned to forward to it, not later than 31st October, all necessary documents; it will submit the Convention of 1912 to the Federal Assembly for its approval during its session in December 1922."

Up to the present, however, Persia*, together with Albania, Argentine, Colombia, Costa Rica, Esthonia, Luxemburg and Paraguay have not declared themselves ready to adhere without reservation to the Opium Convention. The delegate of Chile made a statement to the Fifth Commission to the effect that the Chilean Minister at The Hague had been given the necessary powers to ratify the Convention. The importance of such adhesion is evident, any country which does not apply the provisions of this Convention being liable to become a centre of illicit traffic.

Of the countries not yet Members of the League or Parties to the Convention, the most important for the present purpose is Turkey. The Advisory Committee therefore has urged upon the Council the desirability of retaining in any new Treaty which may be made with Turkey, the provision of the Treaty of Sevres, which obliged Turkey to ratify the Convention.

Certificates.

A very important step proposed by the Advisory Committee and unanimously approved by the Second Assembly is that of the introduction of the system of Importation Certificates.

The Advisory Committee regrets, however, that up to the present very litle progress has been made with the adoption of this system and adds that a certain amount of misapprehension seems to have existed as to the nature of the certificate required to be given by the Government of an importing country.

The system requires an importer of the drugs to obtain from his Government in the case of each consignment imported, a certificate that the import of that consignment is approved by the Government and is required solely for medicinal or scientific (or in the case of raw opium, for legitimate) purposes. Some Governments appear to have understood that this meant they had to guarantee that no illegitimate use would be made of the drugs when imported. An absolute guarantee of this kind cannot be given. All that is required or expected is that the Government should be satisfied that the imports are within the limits of the legitimate requirements of the country and that the persons applying for permission to import are persons engaged in carrying on a legitimate trade in the drugs and are of good repute.

The success of this system depends entirely upon its being generally adopted. It is obvious that if some States adopt the system and others not, foreign buyers will tend to send their orders to the States from which they can obtain the drugs without the necessity of furnishing an "import certificate." Complaints are already being received by Governments of countries which have introduced the system that the traders in those countries which have not adopted the system are enjoying unfair and preferential advantages.

It would greatly facilitate the application of the system if a fixed date could be arranged on which it should come into effect. The Advisory Committee first suggested 1st September of this year, but this having proved impossible the Commission hopes that the system may be generally introduced not later than 1st January 1923 (Resolution 1).

But even if the system of Importation Certificates is adopted and introduced by all countries Parties to the Opium Convention, difficulties may still arise from the fact that important exporting countries have not yet adhered to the Convention. In order to meet such difficulties, the Fifth Commission inclines to the view that the certificate system should be extended and that the Government of an importing country should not issue an import certificate unless the exporting country has already signed the Convention and put the certificate system into force. Recognising, however, the complicated and technical character of the issues involved, the Committee considers that the matter should be studied in detail by the Advisory Committee before a decision is taken, and that this should be done at the earliest date possible (Resolution 2).

As a matter of fact the Importation Certificate system, notwithstanding that it was unanimously approved by the Second Assembly, has as yet been adopted by not more than one half of the Members of the League.†

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* The Delegate of Persia stated that he had telegraphed to his Government asking it to ratify the Hague Convention and to withdraw the reservation made by Persia as to Article 31. The Commission hopes that a favourable reply will be received.

† The following Members of the League have not yet adopted the system :—

Argentine.	Denmark.	Nicaragua.	Serb-Croat-Slovene State.
Australia.	Esthonia.	Panama.	Spain.
Bolivia.	Finland.	Paraguay.	Sweden.
Brazil.	Guatemala.	Persia.	Uruguay.
Chile.	Honduras.	Peru.	Venezuela.
Colombia.	Liberia	Roumania.	
Costa Rica.	Lichtenstein.	Salvador.	

In view of the urgency of this matter the Fifth Commission has proposed, as a practical measure, that the delegates now present at the Assembly should at once communicate with their respective Governments and ask for an immediate decision.

During the meeting of the Commission the Delegates of Cuba and Sweden announced that they had received communications from their Governments to the effect that they accepted the Importation Certificates system.

Consumption of the Drugs.

The Commission concurs fully in the steps which the Council has taken for arriving at a determination of the legitimate requirements of the various countries. Two lines of enquiry are being followed. In the first place, the *Health Committee*, in accordance with the decision of the Council approved by the Assembly last year, has been engaged in a scientific enquiry into the amount of morphine, heroin and cocaine used for medical purposes under ordinary conditions in European countries. This has not so far yielded any definite results, but the Commission are of opinion that it is very important the enquiry should be continued and pressed forward as rapidly as possible. They concur in the suggestion mentioned in the Supplementary Report of the Advisory Committee for the appointment of a joint sub-committee of the Opium Committee and the Health Committee for the consideration of the matter. In the second place, the Council, on the recommendation of the Advisory Committee, has invited all the Governments to furnish estimates of their annual requirements of the drugs. These estimates, however rough and approximate, will enable a provisional estimate of the world's legitimate consumption to be formed and the necessity of further measures for the control of production to be considered. The Commission suggests that these estimates should be accompanied by a statement of the system adopted in arriving at the estimate. The Commission hopes that it will be possible for the Governments to supply these estimates in time for their examination and consideration by the Advisory Committee at its meeting next spring and for the preparation of a provisional estimate and scheme for submission to the next meeting of the Assembly.

An approximate knowledge of the legitimate requirements for the drugs will form a basis for the control and limitation, also of the production of the drugs. As long as the dangerous drugs are produced in quantities exceeding the legitimate requirements, a great danger exists that the surplus will find its way into illegitimate channels. A control of production, so as to limit it to the amount required for medical and legitimate purposes, will therefore be the most effective way of putting a stop to the illicit traffic.

Such control of the production of dangerous drugs is embodied already in the Convention of 1912 (Part III., Article 9), and steps are already being taken to give effect to this Article. In view of the urgency of this matter the Fifth Commission thinks it necessary once again to draw the attention of the various Governments to the importance of a full and prompt co-operation with the Advisory Committee in giving all the information required. The Fifth Commission adopted a resolution on the subject (Resolution 3).

While dealing with the consumption of drugs a brief reference may be made to a question raised in the Commission as to the import of opium into Hong Kong. The use of opium for smoking is still permitted in Hong Kong, as in other of the Far Eastern possessions of European Powers, but in accordance with Chapter II. of the Opium Convention it is placed under strict Government regulations, pending complete suppression, and has been greatly restricted. The attention of the Commission was called to the fact that the Government of Hong Kong was proposing to increase its imports of raw opium from 10 to 20 chests a month. The British representative explained that in this case an increased import would not mean any increase available for consumption.

At the end of 1919 the imports had been reduced at one stroke from 45 chests to 10, but this reduction had been found to be too sudden and the consumption had in fact been considerably more than 10 chests, the balance being drawn from reserve stocks, which were now depleted. The additional imports were only required to maintain the existing rate of consumption. The British Government gave an undertaking that, if the Advisory Committee should so recommend it next spring, the supply of opium placed on sale in Hong Kong would be so limited that the average consumption from now until the end of 1923 would not exceed the average consumption of the last few years, on the closest estimate which could be made.

Statistics.

The Commission desires to call attention to the great importance of the fullest possible information being supplied by all the Governments of the amounts of the drugs produced, manufactured, imported, exported, distributed or consumed in their respective countries. The Advisory Committee point out that they have been unable to report fully on the control of the traffic in dangerous drugs, which is a question of so great importance for European as well as for Oriental countries, because the statistics of manufacture, distribution, etc., furnished by the Governments were very incomplete. A special request has been addressed by the Council to the Governments to complete at any rate the statistics on the manufacture of cocaine, etc., with the least possible delay, but so far, the Commission regret to say, this appeal has had very little result. They also understand that, so far, only four countries have made the Annual Report on the traffic, in respect of the year 1921, *viz.*, Great Britain, Canada, France

and Italy, and not all of these contain statistics of manufacture. It is evident that the work of the Advisory Committee will be greatly hindered if this information is not furnished, and the Commission express the hope that at any rate full statistics will be obtained and furnished by the Governments in respect of the current year before the Advisory Committee meets next spring, both of cocaine and of morphine and their derivatives, and they also hope that it may still be possible for the Governments to take steps to collect the statistics of production or manufacture for 1921 and possibly for preceding years.

Control of the Traffic at Free Ports.

The Fifth Commission has taken note of the Resolution adopted by the Advisory and Technical Committee for Communications and Transit at its Third Session.

"The Committee for Communications and Transit, having been informed by the Opium Committee regarding the question of the control of the opium traffic in free ports, points out in the first place, in order to avoid possible misunderstanding, that the regime of free ports—which is essentially and exclusively a customs regime—would not form an obstacle to the application of special police measures, particularly as regards the supervision of harmful and narcotic substances, provided that such measures do not cause any hindrance to the regime of commercial and industrial freedom which it is the object of the free ports to develop.

"In bringing these observations to the notice of the Opium Committee, the Committee for Communications and Transit informs it that it is considering what police measures might be taken for the above-mentioned purpose.

"Further, with a view to entering upon the study of this question, the Committee for Communications and Transit, acting in co-operation with the Opium Committee, has decided to appoint a special sub-Committee composed of MM. de Aguëro y Bethancourt (Chairman), Chargueraud, Holck-Colding, Montarroyos, Stievenard and Tcheou-Wei."

General co-operation.

The programme as well as the progress of the very important work undertaken by the League in regulating the traffic and suppressing the abuse of dangerous drugs, has now been outlined. One point, however, remains to be emphasised. It will be evident to every Member of the Assembly that, if we are to carry through this great programme, we must, in the Advisory Committee, have the co-operation of all countries which are specially concerned in the cultivation, manufacture and distribution of the drugs.

Among the countries which are both Members of the League and parties to the Convention, the Serb-Croat-Slovene State, although invited by the Council to send a representative to the Advisory Committee, has not so far accepted the invitation. The delegate for the Serb-Croat-Slovene State on the Fifth Commission has, however, with the authorisation of his Government, declared that it is ready to send a representative to the next session of the Advisory Committee.

Of the utmost importance is also the co-operation of certain countries not yet Members of the League. Germany has given us her help by appointing to the Advisory Committee a member whose services have been invaluable. But the United States of America, which is a party to the Convention and which is one of the largest importing and manufacturing countries in the world, is not yet co-operating.

The Fifth Commission fully endorse the hope expressed by the Advisory Committee that means may be found before long to obtain this co-operation. It feels, indeed, so deeply the urgency of this matter, that it ventures to propose a resolution in which the Council is asked formally to invite the United States Government to appoint a member to the Advisory Committee (Resolution 5).

The *Resolutions* laid before the Assembly by the Fifth Commission, expressing the views here explained, are the following:—

"(1) The Assembly, being convinced that the most practical means of exercising control over the traffic in dangerous drugs is by means of the import and export certificate system, and believing that only international action can make this system a success, urges on all Governments the vital necessity of adopting this import and export certificate system without delay.

"(2) The Commission inclines to the view that the Governments which are Parties to the International Opium Convention should be asked to agree not to issue licences for the import of opium, or the other drugs to which the Convention applies from any country which has not yet ratified and put into force the Convention, and adopted the system for the control of exports and imports approved by the Assembly in para. 1 (3) of the Resolution adopted on 30th September 1921, and previously approved by the Council on 28th June 1921. The Commission considers this question important and urgent, but, recognising the complicated and technical character of issues involved, it is of opinion that the matter should be examined in detail by the Advisory Committee of the League on Traffic in Opium, before any definite action is taken. It therefore recommends that the Assembly should request the Council to convene a meeting of the Opium Advisory Committee, as soon as possible, to study the question, and should that Committee

report in favour of the proposal, that the Council should be asked to act on the recommendations of the Advisory Committee in the form approved by the Council, at the earliest possible date, and without further reference to the Assembly if the Council considers such reference unnecessary.

"(3) The Assembly, being of the opinion that the first steps necessary in limiting the world's supply of dangerous drugs to legitimate uses is a knowledge of the amount of drugs required by each country for internal consumption, urges the Governments to supply the returns asked for with the least possible delay and with the greatest accuracy in their power. The various Governments should, with a view to allowing comparison to be made, state clearly the system adopted in arriving at the estimate, and should supply a secondary statement showing estimated consumption per 100,000 inhabitants.

"(4) The Assembly of the League of Nations again desires to emphasise the view expressed in the Report of the Advisory Committee that as long as the drugs to which Part III., particularly Article IX, of the Opium Convention applies are produced in quantities exceeding the legitimate requirements, there is a great danger that the surplus will find its way into illegitimate channels, and that the control of production, so as to limit it to the amount required for medical and legitimate purposes, is the most effective method of putting a stop to the illicit traffic; it recommends that the enquiry now proceeding into the world's legitimate requirements should be pressed forward as rapidly as possible, and expresses the hope that a provisional estimate and scheme will be submitted to the Assembly next year.

"(5) The Assembly, convinced of the urgent necessity of securing the fullest possible co-operation in the work of the Advisory Committee on Traffic in Opium and other dangerous Drugs, and considering the fact that the United States of America is one of the most important manufacturing and importing countries, recommends to the Council of the League that it should address a pressing invitation to the Government of the United States to nominate a member to serve on the Committee."

ANNEX XII.—*Draft Convention of* 1910 *regarding Obscene Publications, referred to in Assembly Resolution* 25 *of* 28*th September* (see *page* 36).

ANNEX I.—FINAL PROTOCOL.

The undersigned, delegates of the Governments of Germany, the United States of America, Austria, Hungary, Belgium, Brazil, Denmark, Spain, France, Great Britain, Italy, the Netherlands, Portugal, Russia, Sweeden and Switzerland, met at Paris on 18th April 1910, on the invitation of the French Government, with a view to reaching an agreement as to the most effective method of suppressing the circulation of obscene publications.

As a result of the discussions, which are recorded in the minutes of the meetings, they have agreed to submit, for the consideration of their respective Governments, the following draft Convention:—

DRAFT CONVENTION.

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being equally desirous of taking the most effective steps possible to suppress the circulation of obscene publications, have resolved to conclude a Convention to that end, and have accordingly appointed as plenipotentiaries _____

who, having exchanged their full powers, found in good and due form, have agreed on the following provisions:

Article I.

It shall be a punishable offence:

(1) To manufacture or be in possession of obsence writings, drawings, pictures or articles for the purpose of trading in or distributing the same.

(2) To import or cause to be imported, convey or cause to be conveyed, for the above purpose, any such obscene writings, drawings, pictures or articles, or to put them in circulation in any other manner.

(3) To trade, even privately, therein or to make a trade of lending thereof.

(4) To advertise such trade by any means whatsoever.

Article II.

Persons who have committed an offence falling under Article I shall be amenable to the Courts of the States in which the offence, or any of the constitutive elements of the offence, was committed. They shall also be amenable to the Courts of the States of which they are nationals, if they are found therein, even if the constitutive elements of the offence were committed outside such State.

Each contracting State shall, however, have the right to apply the maxim *non bis in idem* in accordance with the rules laid down in its legislation.

Article III.

Those of the contracting Parties whose legislation is not at present adequate to give effect to the present Convention, undertake to take or to propose to their respective legislations the measures necessary for this purpose.

Article IV.

The transmission of rogatory commissions relating to offences falling under the present Convention shall be effected either :—

(1) By direct communication between the judicial authorities.

(2) Through the diplomatic or consular agent of the applying country in the country to which application is made, who shall forward the rogatory commission directly to the competent judicial authority, and shall receive direct from such authority the papers showing the execution of the commission.

(In each of the above cases a copy of the rogatory commission shall always be sent to the supreme authority of the State to which application is made.)

(3) Through diplomatic channels.

Each contracting Party shall notify to each of the other contracting Parties the method or methods of transmission mentioned above, which it will recognise for rogatory commissions of such State.

Any difficulties which may arise in connection with transmission by methods (1) and (2) of the present Article shall be settled through diplomatic channels.

Unless otherwise agreed, the rogatory commission shall be drawn up in the language of the authority to which application is made, or in a language agreed upon by the two States concerned, or shall be accompanied by a translation in one of these two languages certified by a diplomatic or consular agent of the applying State or certified on his oath by a translator of the State to which application is made.

Execution of rogatory commissions shall not be subject to payment of taxes or expenses of any nature whatsoever.

Article V.

Non-signatory States may adhere to the present Convention. They shall notify their intention to that effect by means of an instrument which shall be deposited in the archives of the Government of the French Republic. The said Government shall send through diplomatic channels a certified copy of the said instrument to each of the contracting States, and shall at the same time inform them of the date of deposit.

Six months after the date on which the instrument of notification is deposited, the Convention shall come into force in the whole of the territory of the adhering State, which shall thus become a contracting State.

Adherence to the Convention shall, *ipso facto*, and without special notification, involve concomitant and full adherence to the Arrangement of 4th May 1910, which shall come into force on the same date as the Convention itself in the whole of the territory of the adhering State.

Article IV, of the above-mentioned Arrangement of 4th May 1910 shall not, however, be invalidated by the preceding provision, which should remain applicable should any State prefer to adhere only to that Arrangement.

Article VI.

The present Convention, supplemented by a Protocol of cloture, which forms an integral part of the Convention, shall be ratified, and the ratifications deposited at Paris as soon as six of the contracting States shall be in a position to do so.

A *procès-verbal* of every deposit of ratifications shall be drawn up, and a certified copy thereof shall be delivered through diplomatic channels to each of the contracting States.

The present Convention shall take effect six months after the date of the deposit of ratifications.

Article VII.

In the event of one of the contracting States denouncing the Convention, the denunciation shall only have effect in regard to that State.

The denunciation shall be notified by an instrument which shall be deposited in the archives of the Government of the French Republic. The said Government shall send, through diplomatic channels, a certified true copy thereof to each of the contracting States, and at the same time inform them of the date of deposit.

Twelve months after that date the Convention shall cease to be in force throughout the territory of the denouncing State.

Denunciation of the Convention shall not, *ipso facto*, involve the concomitant denunciation of the Arrangement of 4th May 1910, unless this is expressly stated in the instrument of notification; if not, the contracting State shall, in order to denounce the said Arrangement, proceed in accordance with Article V. of such agreement.

Article VIII.

Should a contracting State wish to enforce the present Convention in one or more of its colonies, possessions, or consular court districts, it shall notify its intention to that effect by an instrument which shall be deposited in the archives of the Government of the French Republic. The said Government shall send through diplomatic channels a certified copy of each of the contracting States and at the same time inform it of the date of deposit.

Six months after the date on which the instrument of notification is deposited, the Convention shall come into effect in the colonies, possessions or consular court districts specified in the instrument of notification.

The applying State shall, by means of a communication addressed to each of the other contracting States, give notice of the method or methods of transmission which it will recognise for rogatory commissions destined for the colonies, possessions, or consular court districts included in the notification referred to in the first paragraph of the present Article.

Denunciation of the Convention by one of the contracting States on behalf of one or more of its colonies, possessions, or consular court districts, shall be effected in the form and under the conditions set forth in the first paragraph of this Article. It shall become operative 12 months after the date of the deposit of the instrument of denunciation in the archives of the Government of the French Republic.

Adherence to the Convention by a contracting State on behalf of one or more of its colonies, possessions or consular court districts shall, *ipso facto*, and without special notification, involve full and concomitant adherence to the Arrangement of 4th May 1910. The said Arrangement shall come into force there at the same time as the Convention itself. Denunciation of the Convention by a contracting State on behalf of one or more of its colonies, possessions or consular court districts shall not, however, involve, *ipso facto*, the concomitant denunciation of the Arrangement of 4th May 1910, or unless this is expressly stated in the instrument of notification.

Nevertheless, as from the date on which the present Convention comes into force, any adherence or denunciation applying to the said Arrangement and relating to the colonies, possessions or consular court districts of a contracting State shall be effected in conformity with the provisions of the present Article.

ANNEX II.—DRAFT PROTOCOL OF CLOTURE.

At the time of proceeding to the Convention of to-day's date the Plenipotentiaries wish to draw attention to the fact that the second paragraph of Article II. should be understood to mean that it is desirable that, except in special cases, persons who can prove that they have undergone full process of trial in a contracting State, and, if condemned, have served their sentence or are saved from the penalty by lapse of time, or have obtained pardon, shall not be proceeded against for the same offence in another contracting State.

In faith whereof the undersigned Delegates have drawn up this Final Protocol, of which a certified true copy will be sent to each of their respective Governments.

Done at Paris, in a single copy, on 4th May 1910.

For Germany (with a reservation regarding Article IV.):—ALBRECHT LENTZE; CURT JOEL.

For the United States of America:—A. BAILLY-BLANCHARD.

For Austria:—EICHHOFF.

For Hungary:—DR. LOUIS DE FEST DR. R. DE BARTHA.

For Belgium:—JULES LEJEUNE; ISIDORE MAUS.

For Brazil:—J. DE SOUZA-BANDEIRA; J. P. DE SOUZA-DANTAS (as Assistant).

For Denmark:—C. E. COLD.

For Spain:—OCT. CUARTERO.

For France:—R. BÉRENGER; L. RENAULT; RENÉ LECOMTE; MARCEL CHATAIN; DELIGNE; PAUL PEYSONNIÉ; THÉODORE TISSIER; HENNEQUIN.

For Great Britain and Ireland:—E. W. FARNALL; F. S. BULLOCK; S. A. AITKEN.

For Italy:—G. C. BUZZATI; GEROLAMO CALVI.

For the Netherlands:—A. DE STUERS; RETHAAN-MACARÉ.

For Portugal:—COMTE DE SOUZA-ROZA; JAYME DE SÉGUIER.

For Russia:—ALEXIS DE BELLEGARDE; WLADIMIR DERUGINSKI.

For Sweden:—F. DE KLERCKER.

For Switzerland:—LARDY.

ANNEX III.—DECLARATIONS AND RESERVATIONS RECORDED IN THE MINUTES OF THE CONFERENCE.

All the States represented at the Conference reserve the right to give the word *obscenity* the legal signification which they consider correct.

The German Delegation states that it cannot consider the word "article" as a legal and technical term which could at present be introduced into German legislation.

The French Delegation points out that French legislation draws a distinction between writings, properly so-called, and books, and makes every reservation on this point, as under French law books are not included in ordinary writings.

In view of British legislation, according to which in principle the Courts may not, in penal cases take cognisance of acts committed outside the territory, nor convict upon written evidence, the Government of Great Britain must reserve to itself the right not to propose to its Parliament measures to ensure the institution of legal proceedings, in British territory, against persons who have not committed in British territory the offences dealt with in the present Convention.

The Government of the Netherlands declared that, in its opinion, the expression "outside such State" appearing in Article II of the Convention does not compel Her Majesty's Government to impose penalties upon persons other than Dutch subjects who have committed, in countries other than those of the signatory and adhering States, the acts or any of the acts which are the constitutive elements of the offences dealt with in the Convention.

VŒUX EXPRESSED BY THE CONFERENCE.

All the Delegations express the hope that each legislation will increase the severity of the penalty in cases where obscene matter is offered, given, sold or distributed to young persons. Each legislature will have the right to define the exact age below which young persons must be protected.

The Conference expresses the hope that the Government of the French Republic will endeavour to obtain the widest possible acceptance of the two Instruments which have just been discussed. It is most desirable that the Arrangement and the Convention should be given final form without delay by the States represented, and that these agreements should then receive the widest possible adherence from States not represented.

APPENDIX III.

Certain Speeches on Treaty of Mutual Guarantee and connected Resolutions.

(a) *Speeches in Assembly on 26th September of* (i) *M. de Jouvenel and* (ii) *The Right Hon. H. A. H. Fisher.*

(i) *Speech by M. de Jouvenel (France) in the Assembly, 26th September.*

Mr. President, Ladies and Gentlemen, I should like first of all to associate myself gratefully with the words M. Scialoja has just spoken on behalf of Italy, to assure him once more that I am in perfect agreement with him, and to take this opportunity of thanking him both for what he has said and for the part played in the Third Committee by Count Tosti, who demonstrated that among her many arts Italy possesses that of harmonising conflicting points of view, and of reconciling all differences in one clear vision.

By his efforts the Italian Representative has greatly assisted in the task to which all the members of the Third Committee devoted themselves heart and soul from the first to the last minute of their deliberations. That task was the completion and realisation of Lord Robert Cecil's remarkable draft, for which we are asking the Assembly's approval to-day. The adoption of this proposal will, I think, represent one of the greatest successes achieved up to the present by the cause of idealism.

This success will no doubt be contested by sceptics. There always have been, and there always will be, people who will denounce everything new as an illusion, thinking this the essence of wit, and who are unable to perceive that the worst and most dangerous of all illusions is to believe that things will always happen as they have happened in the past, and to fail to realise that in a world of perpetual change, in which the methods of thought, of industry, and even of agriculture, are changing every day, that political methods alone remain immutable.

The great change which has been effected during the past century in the relations between man and the universe makes it impossible to doubt that we shall one day see a similar change in the relations between man and man, for it cannot be that mankind can be the only power in nature which the human brain fails to dominate

Fortunately, Lord Robert Cecil is an idealist, and I respectfully admire him for it. I know that perfection cannot be attained by men, or even by politicians, who are accused of every crime. This has been so since the beginning of history, as I think that the oldest known manuscript, the Theban Papyrus, which we preserve in the Bibliothèque Nationale, contains this precept: "Do not mix with the crowd for fear that your name should be smirched."

But I know, too, that the accusation which redounds most greatly to the credit of a politician is perhaps that of being a Utopian, for in reality Utopia is often only a name given to the future by the past.

The primary condition of establishing peace in the world is to believe in it.

But there is another condition, and that is to study the sequence by which an idea can pass from the imagination of men into the realm of fact, and to satisfy and abide by the conditions which old civilisations, with their administrations, their habits of thought, and their routine, impose upon human aspiration.

Lord Robert Cecil has attempted to satisfy these conditions, and I think he has very largely succeeded in doing so, by the Treaty of Guarantee. We cannot forget that there have been long periods when within every country and within every tribe man's whole security rested in his strength and weapons, when he was his own law, his own police, his own justice, and that it has taken us long enough to realise how singular was this system of political and social security, whereby a man only felt safe in so far as he was a danger to his fellows.

Nevertheless, men realised it at last, and gradually began to create a form of justice to which men of good will had recourse; then, much later, they organised a police force; then, later again, they reached the point of organising that system of insurance companies, whereby the man whose house is burnt down can regain the money required for its reconstruction, and whereby the poor widow and her children may be certain of the bread which the dead worker will give them no more.

Now, when nations followed the example of individuals by forming societies, their intention was to pass through the same phases as the individual, and, ultimately, to guarantee to the peoples as a whole ever larger forms of security similar to those which every country offers to each and all the individuals which comprise it.

You have begun, gentlemen, by creating a tribunal—the Permanent Court of International Justice—which can, at present, define justice, but cannot dispense it. For its sentences are not obligatory. The words which it speaks from above the conflicts are oftened drowned by the clash of armed peoples. The international law of which we hail the birth is the only form of law which as yet includes no sanctions.

By the Treaty of Mutual Guarantee Lord Robert Cecil has begun the organisation of such sanctions; in doing so he has fulfilled one of the most cherished projects of my country's Representatives—the project which, in the early days of the League of Nations, M. Léon Bourgeois defined, with all the clearness of his lucid intellect, and which has been spread far and wide by the great voice of M. Viviani. Lord Robert Cecil has sought to organise that international power which must form the foundation of international law. The Treaty of Mutual Guarantee, which he proposed during the discussion on this subject, was envisaged by the Third Committee under three somewhat different aspects.

First, there was Lord Robert Cecil's conception; he desires a general treaty, or rather, he desires to begin with a general treaty, which would bind all the countries of the world at the same moment, would cause them all to disarm in the same proportion, and would give to all a guarantee without risks.

Then there was the Scandinavian conception. Its purport is that disarmament must be general, but that the Treaty of Mutual Guarantee need not be so; that the countries could swear to observe peace without undertaking to make others observe it.

Lastly, there was the Latin conception, which was supported by the Representatives of Italy, Brazil, Roumania, Poland, and other countries, and was maintained by the French Representative with an obstinacy for which he asks your indulgence

When I recall the recent invasion of Belgium, and the still more recent invasion of Poland, when I realise that at this moment there are in Europe two great Powers whose alliance is the chief danger to the peace of Europe: the one a country of mystery more closely sealed to-day than in the beginning of civilisation, closed against all commissions of control, and able to press forward the preparations for the next war, while the other can furnish the organisation required by the first; and being convinced that humanity must first reinforce the most seriouly threatened points, I for my part believe that individual treaties must precede the general Treaty. The whole cause of disarmament and peace must not be delayed on the hypothesis of a general Treaty, for in that case it would be made to hang upon the refusal of a single nation; on the contrary, I think the great Western nations should conclude individual treaties among themselves

By such individual treaties these great nations would assume obligations not only towards one another, but also, and above all, towards the small and weak nations; they would give their guarantee to the most threatened frontiers. They would thus make possible a reduction of armaments by the nations which most need them, and have the greatest inducements to arm; weak and trustful nations would thus no longer be left at the mercy of imperialistic, powerful and enterprising Governments.

The Temporary Mixed Commission and the Permanent Advisory Committee will examine these three conceptions. We do not exclude any of them, though we consider Lord Robert Cecil's the most desirable.

In any event, and in whatever form these treaties may later be concluded, there is no doubt that they must not be like the pre-war alliances, and that they must remain perpetually open to all nations of good faith, provided that their good faith be proved.

But it is not enough to set up a tribunal, it is not enough to organise a police force; we must follow out the general idea of the insurance company.

We must admit that the victory of civilisation is perhaps not yet complete. One hundred and thirty years ago, in the early days of the French Revolution, a revolutionary speaker summed up all the hopes which the revolution aroused in Europe, and all the difficulties with which it met, in a striking phrase: "remember that happiness is a new idea in Europe."

This idea has been abandoned, it has been betrayed; but I know of one nation which has never renounced it, and which would think that it is useless to have shed so much blood at all the stations of all the Calvaries unless at the end there is a little light on the hill-tops.

Set against this conception of civilisation there is another, expressed in Bismarck's phrase: "Might is right"; and in Bethmann Hollweg's: "Treaties are scraps of paper"—the conception with which Nietzsche, the most famous philosopher of modern Germany, regards truth as the most ineffective form of knowledge.

On these two civilisations one must be right. Victory does not consist in scattered fleets, in destroyed armies and reconquered lands: victory is the bringing of men's minds to the victor's conception of human civilisation.

What, then, is the idea which must be rooted out of men's minds? It is the idea by virtue of which political, financial, and economic methods culminate in invasion.

We have not only to secure overselves against the invasion of to-morrow; we have to efface the marks of the invasion of yesterday. Reparations must follow the footsteps left by invasion.

If we wish to avoid the war of to-morrow we must blot out the last traces of the war of yesterday. That is why the French Representative made that first proposal to rid Europe of the increase of armaments, which is the legacy of the great war; to begin by reducing the total military, naval and air expenditure of every nation to the 1913 figure, calculated by the methods of the Temporary Mixed Commission; and he suggested, in the second place, the method which consists in joining together the problem of reparations and the problem of inter-allied debts, in order to arrive, as soon as possible, at a solution of the whole economic and financial question which weighs down Europe, and, after giving the nations relief from the burden of armaments, to free their minds from anxiety with regard to their economic and financial future. The Committee adopted both these proposals and submits them to the Assemby.

In this way we hope that we have served well the cause of peace, to which no country is more attached than my own.

The more strongly my country has built up its national unity, the higher it has raised it, the wider the prospects of humanity it has perceived, and the more it has understood that its real destiny, inherent in its nature and history, is to carry from continent to continent, from sea to sea, the benefits of civilisations ignorant of one other, and thus to increase the thought of each people by the thought of all the others, in the hope of compounding one day out of the spirit of every age and the light of every clime the atmosphere which the modern man requires to draw the breadth of life.

Last year at the Assembly my friend and colleague, M. Noblemaire, who is kept from us by illness, told you how fierce was France's hatred of war. His words found an echo in your heart. I ask you, gentlemen, to keep them in your memory, and remember that, even if all the other nations forget the war, there is one that could not forget it, for she is the guardian of your graves, Great Britain, of yours, Dominions, of yours, Italy, of yours, Belgium, and of yours, Portugal, and of the graves of all the volunteers who came from most of the countries represented in this Assembly.

During the war we acted as the advance guard of civilisation, but we know that our victory was only possible because we were on the side of Right, because one by one the civilised nations took their places at our side, and at last, one day, we heard the cry, sublime in its heroism and its gratitude: "Lafayette, we are here!"

Conscious of having constituted the first international force enlisted in the service of peace, mounting guard round the treaties, we await relief, and declare that the cause of peace will be definitely won in our eyes on the day when mankind, by bringing us the Treaty of Mutual Guarantee, will say to us in its turn, "France, we are here!"

(ii) *Speech by the Right Hon. H. A. H. Fisher in the Assembly on 26th September.*

Mr. President, Ladies and Gentlemen, the Assembly has listened to a remarkable speech from my friend, Lord Robert Cecil, who has given us an illuminating and earnest survey of the work and the recommendations of the Third Committee, and his speech has been followed by a series of important declarations from the delegates of three great Powers, none the more important than the declaration which has just been made by the Hon. Delegate for Japan.

I listened to the speech of Lord Robert Cecil with very great attention in the faint hope that in the course of it I might perhaps come across some sentence, some sentiment, some aspiration, from which I might be entitled to dissent. But although I watched him carefully I am bound to confess that I am in complete agreement with the whole tenor and substance of that remarkable speech.

If I may be allowed to say so, the Report of the Temporary Mixed Committee and the Report of the Third Committee belonged to, and will be regarded hereafter as belonging to, the classic documents on the disarmament question. There is no vagueness, no ambiguous ill-considered language in these documents; they are evidence of practical work, and what I admire particularly about the documents themselves, and about the speech in which they were recommended to the As embly, is the fact that no attempt has been made to conceal the very serious difficulties attaching to the execution of what may be regarded as the larger and more ambitious plan recommended by Lord Robert Cecil.

There was no passage in Lord Robert's speech w hich created a greater impression upon the audience than that in which he described the horrors of aerial warfare; how, in the wars of the future, conducted as they will be with all the improvements which science may suggest, whole populations may be destroyed in the course of a single air raid, and whole civilisations swept out of existence. And yet Lord Robert had to confess that he had not yet been able to discover any practical method of dealing with the difficulty presented by aerial warfare and by the growth of aircraft. For this, among other reasons, I think we shall all agree it is desirable that the whole matter should be referred back, as it is suggested, to the consideration of the Temporary Mixed Commission, in order that that Commission may explore these difficulties, in order that it may surmount these difficulties, and in order next year it may come before us with a well-considered plan which may enter into the serious consideration of all the Governments concerned.

Now, my friend Lord Robert Cecil reminded me of a certain orator who, in the French Revolution, spoke as the orator of the human race. I am going to address the Assembly on behalf of a more limited and modest constituency. I speak on behalf of the population of a small island situated somewhere off the north coast of France. It is an island very mysterious to most people who live on this side of the Channel. I doubt whether the character, the idiosyncrasies, the policy of my countrymen are ever fully appreciated. We are an island, and we have had the benefits of an island. We have not been invaded for more than 800 years, and then we succumbed to the prowess of an individual combining in his own person the contrasted but indomitable racial characteristics of Dr. Nansen and M. de Jouvenel. Our history and our national temperament have been profoundly influenced by our insular position by the sense of security which is created by that position. We have been, at least ever since the time of Oliver Cromwell, a great civilian nation. We have never introduced, until recently, the system of conscription. We have been content with a small expeditionary force to deal with our colonial and Indian problems, and the temper of our population is profoundly pacific. Deep in the breasts of all the inhabitants of this little island is a distrust of far-reaching military commitments abroad. It is an instinct which every Government must respect, which no Government can disregard with impunity. If it disregarded it its life would be very short. Apart from this characteristic of our military history, we have also been, ever since the 13th century, a Parliamentary nation. We believe in Parliamentary forms. We believe in Parliamentary checks, and every Government must take account of that deep-seated constitutional instinct in the British race.

Nevertheless, in spite of those traditions—traditions rooted in our social institutional history—Great Britian and the British Empire did take part in the Great War of 1914. We entered into that war obeying a certain clear moral call. The conscience of Great Britain and the conscience of the British Empire was shocked by the wanton violation of Belgian neutrality. We felt that here was a small and innocent nation invaded by a great Power on its way to the destruction of the civilisation of France. We also were profoundly convinced that France herself was an innocent Power with no aggressive designs, pacific, desiring nothing better than to live quietly at home without disturbing her neighbour, and that the great Power of the German Empire had been launched for the destruction of France. Obeying these two motives the whole might of the British Empire was mobilised for the world war. And it is my personal belief, ladies and gentlemen, that if the situation of 1914 were ever to be repeated, if there was reason to believe that the soil of Belgium and France was in danger from an unprovoked aggression, that what happened in 1914 would happen again, and that Great Britain with all her daughter States would come to the rescue of right and justice then as before.

But, ladies and gentlemen, do not let us forget what I have already endeavoured to point out, namely, the deep-seated pacific outlook of the population of Great Britain. No sooner had the Great War ceased than the conscript army, which had reached dimensions comparable with those of the great armies of the continent, and was certainly not inferior in equipment or in skill—no sooner had peace been concluded than that great army was disbanded.

Great Britain has already undertaken a large and sweeping measure of disarmament. I very much dislike worrying members of this Assembly with figures; but may I illustrate this last proposition by putting before the Assembly a few figures to show that Great Britain has been earnestly pursuing the path of the disarmament which the eloquence of the *rapporteur*

commended to us this morning. On the 1st August 1914 the British Army, exclusive of Dominion forces and Indian troops employed under the Indian Government, numbered 244,795 effectives. On the 1st August 1918 it numbered 4,500,795 effectives. On the 1st July 1922 it numbered 232,568 effectives.

If we turn from effectives to expenditure, we find that in 1913 and 1914 the expenditure on the British Army amounted to 34,000,000*l.*, in 1918 and 1919 to 835,000,000*l.*, and in 1922-23 to 79,000,000*l.* It must be remembered that since the war we have more than doubled the pay of the common soldier.

If we turn from the Army to the Navy we find similar reductions. The fleet strength in May 1914 was 60 battleships. In July 1922 it was 18 battleships.

I venture to submit that the process of disarmament which has been carried on in Great Britain since the war is sufficiently remarkable to justify us in making a serious plea to the whole world that the cause of peace should be promoted by further measures of the same kind.

We all listened with the greatest delight to the beautiful eloquence of M. de. Jouvenel. We barbarians of the North cannot pretend to emulate that charm, that grace, that felicity. My only feeling as I listened to M. de Jouvenel was a feeling of some doubt as to whether his interpretation of the Resolutions which were adopted by the Third Committee precisely coincided with my own. I believe however, that I did agree most heartily—in fact, I do agree most heartily—with two of the main propositions which M. de Jouvenel advanced. We were urged to remember that there was no reason why we should not indulge in great ideals for the future because those ideals had not been realised in the past. He reminded us that the mind of man was constantly moving forward, and that we must have hope, and that we must have courage and that we must welcome with enthusiasm any scheme, however wide a surface it might offer to the cynic and the critic, which might tend to lead us into a better and a happier world. With those fine sentiments finely expressed I am in entire agreement.

I was also in agreement with M. de Jouvenel when he pointed out, in an eloquent passage at the end of his speech, that one of the great tasks before us was to create an atmosphere in which civilisation could prosper and flourish. But let me return for a moment to the main plan for effective disarmament which is contained in the Report of the Third Committee. It is a plan for a Treaty of Mutual Guarantee to be general, to be open to all, and, I hope, to be accepted by all. I am speaking quite frankly as a friend of peace to an Assembly consisting of friends of peace, and I want you to realise what is likely to be the attitude of British public opinion to these proposals. I cannot, of course, attempt to speak for the temper, the tone, the attitude of my countrymen a year hence when these proposals are in force; but I believe that the attitude of Great Britain towards these proposals will be largely influenced, not only by the number of States who may be willing to come into such a guarantee, but also by the evidence which may be afforded of the temper and the tone of Europe and of a real desire to use the Treaty of Guarantee for the purpose of securing and maintaining European peace and tranquillity.

I greatly admire one feature of the Report to which M. de Jouvenel also made allusion, that is, the paragraph in the Report which deals with the question of Reparations and Inter-Allied Debts. We are all now aware that the Reparations problem blocks progress. We are all anxious to see it solved. I do not believe that there is a single Englishman who denies that France is fully entitled to reparations for the cruel devastation which has been wrought by the invading armies of Germany. I do not believe that there is a single Englishman who denies that the debt which France is entitled to receive Germany is morally obliged to pay. I agree with the terms of the Report which make it clear that in the opinion of the Third Committee, it is very much to be desired that the problem of reparations and the problem of war debts should be treated as a whole. That is the view of the British Government. That was the position taken up by the Bolfour Note. That is the idea which animates our policy. We desire that the whole question of reparations and inter-allied debts should be treated as a whole. But if it cannot be treated as a whole, if there are obstacles in the way of it being treated as a whole, then by all means let us find some solution for it piecemeal and by degrees.

The Honourable Delegate for Italy, in the course of his interesting speech, made an observation with which, if I may say so, I entirely concur. He said that the problem of reparations and inter-allied debts at present belonged to the Allied Governments, and that until it had been definitely referred, at the request of those Governments, to the League of Nations, it was undesirable that the League of Nations should intervene. I entirely concur with that doctrine. If I may speak for myself for a moment, I personally have long held the view that it was somewhat undesirable that the League of Nations should intervene in the liquidation of war problems, or at any rate in the liquidation of those war problems which were specially contentious and difficult. But I do hold that if the reparations problem, urgent as it is, urgent as its solution is if the trade and commerce of the world are to revive, cannot receive a solution at the hands of the Powers concerned, then it is important, it is desirable—indeed, it is necessary—that the League of Nations should be invited to deal with it.

When we are considering the economic situation of the world, however, let us remember that it cannot only be put right, that the problem cannot only be solved by the skill, the goodwill and the give and take of the Allied and Associated Powers. We must have some goodwill on the part of Germany as well. We must have the co-operation of Germany, and

here I would make an earnest appeal to the good sense of the business community of Germany. Here is a problem the solution of which is urgent, a problem affecting not only the trade and commerce of the belligerent countries but the trade and commerce of the whole world, a problem poisoning international relations, preventing the spread of mutual confidence, arresting the progress of disarmament—as Lord Robert Cecil pointed out to you this morning—and nowhere will it be more injurious, if its solution be long delayed, than to the trade and commerce and security of Germany herself.

Ladies and Gentlemen, the report of the Third Committee contains many practical proposals with respect to which there can be very little doubt that with a little goodwill on all sides a solution is possible. I have only to mention the proposal with respect to the summoning of a Conference for the Limitation of Naval Armaments. Here is a proposal which is obviously practical. The Conference at Washington has shown the way. We know that it is possible for naval armaments to be limited, and for the taxpayer to be relieved of overwhelming burdens by the co-operation and goodwill of the Powers, and it is proposed that a Conference should be summoned to examine whether the principles which have been so happily applied at Washington could not be extended to limit the naval armaments of all those Powers who were not directly represented at that great Conference. That is one proposal which might be put into practical effect during the ensuing year.

Then, again, there are paragraphs in the Report dealing with the regulation of the manufacture and traffic of armaments. Here, again, the Temporary Mixed Commission has adopted the scheme of a Draft Convention which, to my mind, appears to be quite practical, quite capable of being put into operation, and at the same time pregnant with many important benefits to the whole human race. It is quite impossible, however, that the manufacture of armaments should be limited, or that the traffic in armaments should be limited without the co-operation of the United States of America. The armament manufacturers of Europe cannot be expected to submit to limitations from which the armament manufacturers of the United States are free, and if my voice could only carry across the Atlantic I would pray peace-loving citizens, men and women, in the United States to put pressure upon their Government to co-operate with the Powers represented in this great Assembly, in order that we may devise a code of reasonable regulations which may prevent the gross abuses which now attach to the manufacture and traffic in armaments.

When we have accomplished those two objects, each of them admittedly practical, each of them admittedly capable of being accomplished in the ensuing year—when we have accomplished those two great projects we shall have done much, but we shall not have done all. I for one welcome the bold and comprehensive scheme outlined by Lord Robert Cecil, not because I am blind to its difficulties, not because I do not think it requires a great deal of further consideration, but because it does appear to me to be a logical and comprehensive scheme for the reduction of armaments which only requires a little goodwill, energy and self-sacrifice to make effective.

But how are we to realise the aim of M. de Jouvenel? How are we to create an atmosphere in Europe and throughout the world in which civilisation can prosper and flourish? It is a grave problem, because with the science of war developed to its present pitch of awful perfection there is a grave peril overhanging civilisation. There was a sombre and impressive passage in M. de Jouvenel's speech outlining the possible combination of two Powers, neither of them Members of this League, for the purpose of renewing the awful work of destruction. Is it really beyond all dreams that the great feuds of Europe should be appeased? I remember last year talking to an eminent French friend of mine, a great man of letters and also a considerable politician, who told me that in his own life-time his country house had been twice burned to the ground by the invading armies of Germany, and he went on to say, in a sad spirit of fatalism, that he supposed that his son or his grandson would have to witness the same catastrophe, that these great invasions were periodical, that they occurred with the regularity of a recurring decimal, that nothing could avert them and that all that one could do was to arm and prepare against them. If that temper of fatalism prevails in Europe, if we are all resigned to the proposition that the world can never improve, that wars must continue in future as they have in the past, only more deadly, more destructive, then there is very little use for this League of Nations.

Our business is to create a new temper in Europe and in the world, to rally peace-loving men and women in every nation and in every community, quite apart from the lines of division which existed during the Great War. It is our duty to urge upon them to combine together to will peace, to spare no effort to influence the public opinion of their respective countries to see that civilisation cannot endure another war on the scale on which another war will inevitably be waged. Then indeed, if we are unremitting in propaganda, if we do not falter in faith, it may yet be possible to see the great dream outlined by Lord Robert Cecil and supported by the Delegates of Italy, Japan and France finally and effectually realised.

(*b*) *Proceedings of Eighth Meeting of Third Committee, 21st September.*

The CHAIRMAN opened the discussion.

M. HENRY DE JOUVENEL (France) read the following draft Resolution:—

"The Assembly,

"Considering that moral disarmament is an essential preliminary condition of material

disarmament and that this moral disarmament can only be achieved in an atmosphere of mutual confidence and security:

"Declares that such confidence cannot be attained so long as the world continues to suffer from disorganisation of the exchanges, economic chaos and unemployment, and that the only method of remedying these evils is to put an end to the uncertainty which prevails regarding the means for the restoration of the devastated regions and the settlement of the inter-allied debts;

"Expresses the hope that, in so far as these questions can be regulated by the unaided effort of the European nations, the Governments signatories of the International Treaties and Agreements which deal with these questions, and within the framework of which they must be envisaged, will achieve as soon as possible a general settlement of the problems of reparations and interallied debts;

"And it further recommends that the Council shall devote constant attention to every effort made in this direction by the Governments concerned, it being understood that it can only usefully assist in the solution of these problems if requested to do so by the Governments in question."

M. de Jouvenel then continued: I must ask permission, Gentlemen, to make certain comments on this Resolution. The day before yesterday, when you had just defined for the first time by a unanimous vote the practical form which the reduction of armament should take, and at the moment when you might have imagined that your work was over, Lord Robert Cecil rose to ask you to continue; he called upon you, after having laid down the future conditions of peace, to give consideration to the immediate conditions, and I at once supported his request. It is, indeed, of the greatest importance that the League of Nations, after having drawn up a diplomatic and military formula for disarmament, that is to say for peace, in the Treaty of Mutual Guarantee, should proceed to elaborate a political and economic formula.

It is desirable that all the terms of the problem should be defined and the extent of our obligations and of our rights limited. I feel that that duty is all the more incumbent upon me on account of the statement contained in certain articles in the German Press, that France had requested the League of Nations to convene an international conference to deal with the question of reparations and with that of inter-allied debts. There is no ground for making so contradictory and even absurd a supposition at the very moment when the French Government, in conjunction with the Allied Governments, is organising a Conference at Brussels for the settlement of these questions. It must not in any way be imagined that the international methods of the League of Nations override national methods, or that the League may encroach upon the rights of States and deprive them, up to a certain point of their liberty. That is the very reverse of its object. The establishment of freedom within national boundaries has enabled parties which formerly oppressed each other in consequence of the different views which they held, to co-operate and develop in harmony. In the same way, the establishment of the League of Nations must enable national movements to develop on their own lines.

It is, however, certain that when questions of such importance arise which so closely affect the peace of the world, the representatives of world opinion here present cannot refrain from expressing their opinion.

It seemed impossible to the French Delegation to reply:—France has nothing to say. On the contrary, I welcomed in Lord Robert Cecil's proposal an opportunity of presenting in its real aspect the true feeling of France. I do not know whether it was desirable, in view of the part she plays in the life of mankind, that after the sufferings which she has borne for four years she should have to bear in addition the moral suffering of being the victim of an international slander. But I know how profoundly she suffers from not being understood.

The other day M. Lange offered a tribute to France which must have seemed to him a perfectly natural one, recalling the fact that it was impossible to attribute to her any sort of responsibility for the war, for the very reason that before the war she had withdrawn her troops from her frontiers. I thought, as I listened to him with gratitude, that if I were to express to him the emotion and gratitude which I felt, he would be sure to say to me with his usual candour of expression and speech: "But it is perfectly natural; I have only performed an act of elementary justice, and you have no occasion to thank me."

That is all that France demands to-day: elementary justice. I know how difficult it is to realise the situation and not to be struck by the apparent contradiction, nay, the paradox that a victorious nation, whose generals have led to victory the armies of all civilised peoples, and which has in four years reaped enough glory for centuries to come, should, nevertheless, after its victory, plead for justice.

One is tempted to reply: "Does she ask for justice? Has she not executed justice?" No, she has not done so in the ancient cruel sense of the word. We have not executed it, because, in order to spare mankind a few days of war, just as at the beginning of the war we withdrew within our frontiers, so at the end of the war we did not carry victory beyond our frontiers. Why not? Because for us victory meant only two things: security and reparations.

Have we at least obtained security? Have we had reparations? When the Prime Minister of France laid the Peace Treaty before the Chambers, he declared to the representatives of a country, which, it must not be forgotten, had undergone five invasions in five quarters of a century, which checked the first at Valmy and the last at the Marne, and has on three occasions seen the invader in its capital: "I do not bring you either a strategical frontier or strategical security, but I bring you the moral security of the American and British treaties of mutual guarantee. Apart from that," he added significantly, "we have nothing."

Where is the American Treaty of Guarantee? Where is the British Treaty of Guarantee? We have nothing.

With regard to reparations, we have at the present moment spent 84 milliards of French money in the restoration of our devastated regions. How much of these 84 milliards is German money? Not a franc!

In the matter of security, nothing! In the matter of reparations, nothing!

That is not all. I must ask you for the moment to follow me still further. The share of France in the German debt has been fixed at 52 per cent. I do not intend to discuss this figure of 52 per cent., and I take it as it stands. Under the most favourable supposition, that is to say, if the Agreement of 5th May 1921 were to be executed in full, and if Germany were to pay annually—it is far from being the case—three milliards of gold marks in cash, France would receive 52 per cent. of these three milliards, that is to say, 1,560 million gold marks.

We should have 1,657 million gold marks to pay each year on account of our debts towards our Allies in accordance with the American scheme which fixes the amounts and periods of payment, by applying to France's debt to England the same conditions of payment as to the American credits; but we should only receive 1,560 million, which would mean that we should have a deficit of 87 million gold marks or 300 million francs, and in addition to this the damage occasioned by invasion would have to be paid by the victims.

For these reasons, France, having gained the victory, demands justice.

But do not imagine that France is thinking only of herself. If that were so, she would have altered very much, and four years, however, full of sacrifice and grief, are not sufficient to change the character of a nation. No, France will make a great effort; she has already begun to do so. If I were to read to you the resolutions of the Governments and the Supreme Council in 1920, you would see that they were unanimous in asserting that the reconstruction of the devastated areas was the primary condition for the reconstitution of Europe.

The Financial Conference of the League of Nations held at Brussels expressed the same opinion.

France, having already spent 84 milliards on reconstruction and having therefore proved to the inhabitants of the devastated areas the solidarity of the whole nation, considers it indispensable that the solidarity of Europe should be demonstrated, without waiting for the intervention of the United States.

We eagerly await the moment when the League of Nations will receive the United States among its Members, and we are convinced that only then will the League of Nations reach its full development, and that the difficulties of Europe cannot be completely solved without the intervention of the United States. But we must not wait for the United States, now any more than we did during the war.

To adapt an old adage, Europe must say to itself "America will help those who help themselves."

France is ready to take part in this work of European collaboration and is not thinking solely of her own case.

When France surveys the situation, she fully realises the misery which is accumulating in Europe, both in countries with low rates of exchange, which can no longer purchase goods and whose financial situation is worse than her own, and in countries with high rates of exchange, which are unable to sell, and whose economic situation is also perhaps worse than her own.

All this must be remedied, but how can that be done? We must collaborate in restoring the normal progress of civilisation. What was the object of the great power and the great economic and financial work of civilisation? It has been the creation of world prices for goods. An article used to be worth more or less the same price in New York, London or Tokio, and this international price was being continually reduced owing to more scientific organisation of production, to transport facilities, and to the establishment of factories nearer to the supplies of materials. The war has destroyed this system, and peace has not re-established it, because peace has not overthrown the barriers which have been raised by the war; economic and financial peace has not yet been concluded.

To-day each country has its own prices and currency, as in the early stages of civilisation.

Why is this? It is because Europe, having entered a moratorium period in 1914, has not yet emerged from it. The Treaty of Peace has laid down principles but has not calculated the cost of applying them. The agreement concluded in London in May 1921, which approximately fixed the German debt did not organise the means of securing payment.

And the result is that on the one hand Germany has been allowed to believe that it would be to her interest not to pay, and that she could escape the obligations both of economic laws and of the laws of international morality ; on the other hand the European countries which took part in the war (leaving France out of consideration), after calculating on one side of the account the losses they suffered during the war and on the other the sums placed to their credit for reparations, have perceived that they have more on the debit than the credit side ; and no country knows exactly what it owes. Some countries even considered the question of their debts from the point of view of morality ; and no State proved itself capable of fulfilling the first condition of international or national recovery, which consists in drawing up a balance sheet and taking stock of the situation.

We now ask you to put an end to the moratorium period and to initiate the period of definite solutions. We ask you to consider the solutions in their relation to the treaties and international agreements. The reason for this is that we must not forget that the Treaties of Peace, which are far from perfect from the economic and financial point of view, have nevertheless broken the chains of oppressed races and have liberated peoples. A treaty which has obtained results such as these cannot be seriously challenged.

The primary condition of peace is the observance of international agreements : once a pledge is broken there is no knowing how far that first breach of faith will lead.

Revised treaties are tantamount to violated neutralities ; the essential condition of peace, the primary treaty of mutual guarantee is the treaty which each nation signs with its own conscience, and by which is avers that it is true to itself and respects its signature.

Fortunately for the solution of these problems, there is no need to revise treaties ; it will be enough to revise or rather to cast up accounts. In conformity with Lord Robert Cecil's proposal, it will be enough to link the problem of reparations with that of inter-allied debts, as these two problems cannot be solved independently, but the solution of the one depends on the solution of the other.

These questions are like the States that are dependent on one another ; there must be a desire to conclude an economic peace in order to ensure political peace ; there must be a desire to reconstruct Europe without waiting for foreign aid ; there must be a desire that Europe shall assume as her first duty the mission of obliterating the traces of war by obliterating the traces of invasion. Finally, all nations must tell themselves that no individual nation can save itself, and that they have only the choice between joint responsibility for reparation or joint responsibility for disaster.

Mr. Fisher (Great Britain) presumed that the proposition presented by M. de Jouvenel was intended to be substituted for that put forward by Lord Robert Cecil at the last meeting of the Committee, and he (Mr. Fisher) was prepared to accept it for three reasons. Firstly, because it drew attention to the great importance of solving the problems of reparations and of inter-allied debts. It might be said by a critic of M. de Jouvenel's proposition that its importance was somewhat over-rated. These problems were not, of course, the sole issue standing between Europe and a complete scheme of disarmament such as was sketched in Lord Robert Cecil's resolution. They had to take into account the memories of the war, and the feelings of resentment, the legacy of the war, nor could they leave out of account the ambiguous position of Russia ; but they all admitted that the problems of reparations and inter-allied debts were great problems calling for all the resources of European statesmen to solve in order to arrive at that measure of mutual confidence, peace and tranquillity for which the populations of the world yearned. Secondly, because it emphasised the importance of a prompt solution of complicated and difficult economic questions. Statesmen in various countries had been endeavouring to arrive at some arrangement which would meet the economic needs of the situation, but hitherto they had failed. There had been individual differences of opinion as to the best method of carrying out the common policy of reparations, but there had been no difference of opinion between the Governments of France and England as to the right of France to have reparation for the devastations caused by the invading armies of Germany. There was not a single Englishman who denied the right of France to reparation or Germany's obligation to pay. He agreed with M. de Jouvenel that it was vital in the interests of Europe that there should be found as soon as possible acceptable and workable solutions of these difficult problems.

In the third place, he welcomed M. de Jouvenel's proposal because it appeared possible that part of the problems might at some time be referred to the League of Nations for consideration at the invitation of the inter-Allied Powers themselves. He thought he was not wrong in reading that interpretation into the proposition, and unless he was greatly misled the general tenor of the document produced by M. Jouvenel was intended to provide a postern gate, as it were, through which, assuming a solution could not be found in the normal way by negotiation, the Council of the League might be called into action. The League had now become established, it had already had the Silesian question referred to it when agreement appeared to be impossible, and had found a solution.

M. de Jouvenel had spoken of the international calumny to which France had been exposed. Great Britain also had suffered from attack, but he (Mr. Fisher) did not wish to go into that as they were notoriously mysterious nation lying in a remote and barbarous part of the world, and could not always be expected to be understood. But the common sacrifice, the

common effort, England and France had made during the war was a memory which would always exist as an important element in the political life of England. They had too many graves in France ever to forget it.

He (Mr. Fisher) heartily re-echoed M. de Jouvenel's words when he spoke of the importance of eliciting the support of America. He regarded it as one of the greatest calamities of civilisation that at the end of the war the powerful and impartial influence of the American Republic was withdrawn from the peace negotiations, and he trusted the time was not far distant when that great and free Republic would bring to the aid of Europe that impartiality and judgment which she represented. But there was another Power whose assistance was necessary if the reparations problem was to be adequately solved, and that Power was Germany. There were many elements in German public opinion which gave cause for extreme disquiet, and the attitude which had been recently taken up by many important German organs towards the League of Nations gave evidence of a temper which would not contribute towards the settlement of the European difficulty. He hoped, however, he was right in thinking that there were signs of a more rational feeling among the great leaders of business opinion in Germany. Surely business instinct, if nothing else, should lead German opinion to welcome a rational and moderate solution of the problem. It was to be hoped that the economic distress at present existing would cause Germany to listen to the voice of reason and co-operate in the solution of this great problem. He agreed with M. de Jouvenel that Treaties must be strictly observed, but if at any future time the Council of the League of Nations should be asked to solve any part of the problem, he thought a certain departure from the strict text of the Treaties would be necessary, as at present they only allowed of the question being dealt with by the Reparations Commission.

He had great pleasure in associating himself with the proposition which had been made by M. de Jouvenel.

M. HYMANS (Belgium) then rose to speak: We have just heard remarkable speeches which I am convinced will be noised abroad and will produce a profound impression on public opinion. You will understand, gentlemen, the intense emotion and the anxious attention with which the Belgian representative has listened to them.

Belgium has a right to reparations. Justice requires it. Common fairness demands that the aggressor shall repair the damage he has done. Belgium is in dire need of these reparations in order to re-establish her financial situation. I, for my part, adhere to the spirit of the proposals which have just been laid before the Committee and which are somewhat akin to the idea I outlined when the report on the work of the Council was being discussed. More especially I suppose M. de Jouvenel's proposal, which appears to me a concise, practical and politic statement of the ideas set forth by Lord Robert Cecil.

Lord Robert Cecil and M. de Jouvenel have given prominence to the thought which is in all men's minds, but which they have long hesitated to utter aloud, *i.e.*, that the problem of reparations and of the inter-allied debts which is oppressing Europe is an obstacle to the spirit of pacification, that it fosters the spirit of war by fanning passion and resentment, and that it bars the way which should lead to the re-establishment of political and economic harmony in Europe.

At the risk of failing in the exercise of its functions, of failing to justify its existence, I might almost say of failing in its duty, the League of Nations cannot fain ignorance of such a problem, nor yet pass it by, blind and deaf to its urgency. The League must face the problem, and it is natural and legitimate that, according to the terms of M. de Jouvenel's proposal, we should submit the following recommendation: —

> "That the efforts of the Governments concerned, who are negotiating the solution of reparations problems by other methods and on other lines, should reach a practical and just solution and that the Council should devote constant attention to their laudable efforts."

We shall all be unanimous in adopting such a resolution, as it is well understood that the Council, several of whose members represent Governments now engaged in seeking the solution of the reparations problem, cannot take note of it unless the Governments concerned agree to request it to do so. I imagine that such is M. de Jouvenel's idea. (M. de Jouvenel signified his assent.)

I have felt an imperious desire to second the noble and generous ideas voiced by the previous speakers. In conclusion, I should like to express to the Committee a sentiment which is no doubt essentially Belgian, but which, I am sure, will be shared by the representatives of all the small countries present on that Committee, *viz.*, the joy of seeing manifested in such noble, moving, and eloquent terms the sincere agreement of two great Powers like England and France who are united by common sacrifices—in which my little country has some share—an agreement which is a lasting guarantee and the most important safeguard of order and harmony in the world.

COUNT TOSTI (Italy) stated that M. de Jouvenel's proposal had the entire approval of the Italian Delegation. Lord Robert Cecil had developed the theory that disarmament was an impossibility if the actual causes of anxiety and uncertainty now prevalent in the world were

not removed, and he had shown very clearly the close relation between the question of disarmament and the economic situation of the world in general and of Europe in particular. The speaker would also refer to the gravity of the economic situation, which dominated all problems and questions of a political nature.

Disarmament was one of the essential conditions of European reconstruction, and this in turn depended on the restoration of the economic equilibrium.

The French representative, starting from the premises laid down by Lord Robert Cecil, sought a practical and concrete solution. If, as it seemed to him, the spirit of that resolution and of Lord Robert Cecil's proposal were the same, the Italian representative gladly gave his complete and unreserved support to them—the more readily because Italy (perhaps because she had suffered far more severely than the other great Powers from the immediate economic consequences of the war) had been the first to proclaim the close connection between the economic and political questions which have been troubling the world since the end of the war. Such had been Italy's line of conduct at all international assemblies or discussions with her allies, from the Conference of San Remo to the Genoa Conference; moreover, that line of conduct was entirely based on public opinion.

In the first paragraph of M. de Jouvenel's resolution there appeared a truth which, although evident, had not yet been realised, or, at any rate, not yet accepted as the real and effective starting-point of any attempt at world reconstruction.

The general reduction of armaments was an outward and political expression of general readjustment, and no general readjustment was possible without economic stabilisation, and without the realisation of social and economic readjustment throughout the world.

Such a proposal had the complete and sincere approval of Italy.

As the next paragraph asserted the necessity for reaching as soon as possible a joint solution of the problem of reparations and of inter-allied debts, it was entirely in conformity with the policy of Italy and of her policy at all inter-alied assemblies.

The third part of the resolution recommended that the Council should give constant attention to all efforts made in the direction indicated above; that sentence was open both to a general and to a specific interpretation.

If it meant that in the investigation of the disarmament question the Council, the supreme authority to which the solution of the question had been entrusted, could not and must not lose sight of the general situation and the economic causes affecting the situation, he had no criticism to make.

But the expression might also mean that the League of Nations would itself be called upon for a direct solution of the question of the financial relations between the various Governments, either of actual inter-allied debts or of reparations obligations.

If such was the intention of the proposal, they would be right in considering – and indeed he thought it was their duty to do so – the consequences which the development of that theory might involve. It was not merely a question of competence which was at issue, that is to say, of settling whether such a proposal could be accepted almost on the eve of a conference between the Governments directly concerned, but it was also a constitutional question, and one of principle; in the idea which gave birth to the League of Nations the direct aim was to keep it removed from all questions which might implicate it in war or in the application of treaties between conquerors and conquered.

In the interests of the League of Nations itself the speaker was anxious to anticipate any divergence of opinion that might arise. However, his anxieties in this respect were relieved by the latter part of the paragraph, according to which the Council cannot offer any suggestion for the solution of the problem unless the Governments concerned ask it to do so; that meant that the initiative in that province would always remain with the Governments concerned, and it would always be for them to decide whether it was necessary or opportune to take steps, and also what means should be employed.

In order to emphasise the importance of this limitation, Count Tosti proposed a slight amendment, to substitute for the words "unless the Governments . . . " the words "unless all the Governments . . . "; this amendment was prompted by the desire to leave the initiative entirely in the hands of the combined Governments concerned, and not, as might be thought at first sight, with the Governments considered individually.

With this reservation, which was fully justified not only as a question of competence but as a question of principle, the speaker, in conclusion, expressed his approval of the spirit of the French Delegate's resolution.

Lord Robert Cecil, (South Africa) readily accepted M. de Jouvenel's proposal, but preferred it in its original form. As a Member of Parliament of long standing, he considered it unwise and dangerous to change, as Count Tosti suggested, a formula which had been thoroughly discussed, submitted to other delegations and perhaps even communicated to certain Governments.

He did not take exception in any way to Mr. Fisher's suggestion that his (Lord Robert Cecil's) proposal would be withdrawn, but he thought it necessary without altering M. de Jouvenel's text to add a preamble.

In agreement with M. Hymans, Lord Robert Cecil expressed his satisfaction at the understanding which had been arrived at between the representatives of the four Powers concerned and took note of that understanding. Perhaps the resolution did not go very far, and perhaps it did not in itself constitute a settlement of the problems ; but it did at any rate point out a way, and showed the possibility of making an appeal in the last resort to the League of Nations.

Such results would compensate for a great deal.

Lord Robert Cecil supported, Mr. Fisher's statement, according to which nobody doubted the justice of the French and Belgian claims in the matter of reparations ; if there had been differences of opinion, they referred solely to the method to be employed in order to attain the best and most practical results. They had not only to settle how much was to be paid, but also the possibilities and method of payment.

He did not conceal from the Committee that, although he accepted M. de Jouvenel's resolution, he would like to have gone just a little further in some respects, or rather, perhaps, he would like to draw definitely some of the conclusions which seemed to be implied. M. de Jouvenel had said with great force, both in his speech and in his resolution, that the non-settlement of these questions was causing widespread distress and even disaster in the countries of the world. To him it seemed a logical conclusion that all those countries should be ready to take their share of responsibility in the settlement of those questions. Again, M. de Jouvenel said, and he agreed with him, that the League could not usefully intervene without the consent of the signatory Powers. He thought he should have liked to turn the phrase round and to say rather that the League could intervene usefully if the signatory Powers requested it to do so.

But he agreed, not only with the Resolution to the full extent to which it went, but still more, if he might be allowed to say so, with the admirably lucid and courageous speech with which M. de Jouvenel had introduced it. He agreed, he thought he might say, with every word of that speech, not least the extremely able and searching criticism of the uncertainty produced by the essential features of the financial settlement arrived at at Versailles. He most fully agreed with what M. de Jouvenel had said. There was nothing in finance so bad as uncertainty ; there was nothing so bad either for debtor or for creditor as not to know exactly what was owed and exactly what might be expected to be paid. The uncertainty which had hung over Europe and indeed the world arising from that unfortunate draft had been, he thought, a great disaster and one which would be worth an infinity of pains to clear away from the financial atmosphere.

Certain things which M. de Jouvenel had said were, if he would allow him to say so without impertinence, not only very true but immensely valuable. He agreed most heartly with him when he dwelt on the world importance of that question and the urgency of the settlement. He felt it as strongly as M. de Jouvenel did. It had been put with immense force in the sentence which he ventured to quote from the Financial Committee of the League : "It is our firm conviction that it is hopeless to expect the economic welfare of the world to be restored until the problem of inter-governmental indebtedness is solved in a sober and practical manner." He thought that was absolutely true, and it was very well that it should have been stated with such force and lucidity by the representative of France.

He agreed most fully also with his statement as to the complete inter-connection between the reparations question and that of the allied debts. He agreed when M. de Jouvenel went further than that and said that all those questions were inter-connected and could not be separated. That was the fundamental conception on which the League of Nations was founded the inter-dependence of nations, the fact that the amount of interests which were common was so immensely greater than the amount of interests which were opposed to one another. That was the fact, the actual fact, not a visionary theory, but the actual fact of life on which they had built their League ; and because he was satisfied that that was a real fact he was satisfied of the permanence and prosperity of the League in the future.

Lastly might he say how much he agreed with M. de Jouvenel when he said—he was quoting from memory—that the war had been almost equally disastrous to conquerors and conquered. No one won a war. The only difference was that some lost it more and some lost it less. Those fundamental truths, so brilliantly, so eloquently, so forcibly expressed, would, he was satisfied, be of great importance far beyond the walls of that room, and he ventured, therefore, very respectfully to thank M. de Jouvenel and to accept his proposal with great gratitude.

M. MANOLESCO-ROMNICEANO (Roumania) felt that when countries which had suffered devastation were in question, he could not help recalling that Roumania was one of the victims which had suffered most cruelly. She had suffered from invasion, with all its attendant evils of destruction and devastation. Her communications were completely destroyed when the invader withdrew. As a result of unparalleled efforts, her situation has markedly improved through the consolidation of her Treasury bonds, the payment of her dividends, the establishment of a sane and practical budget, the budgetary surplus due to the improvement in her financial administration, the marked progress in the management, construction, and operation of her railways. Yet, in spite of these efforts, in spite of immense sources of wealth, her economic status was still far from corresponding to her natural wealth on account of the continual fall of the exchange, which prevented her from making full use of all these factors. This fall was

due partly to the uncertainty of the situation as a result of the near neighbourhood of Soviet Russia, partly to the issue of a large number of banknotes, partly to the deposits of gold not yet restored by the Soviets, partly again to the general uneasiness prevalent in the country as a result of the reluctance on the part of the conquered to recognise the wrongs they had committed and to repair the evil and havoc they had wrought.

The conquered believed themselves justified in hoping that the solidarity of the Allies during the war, solidarity which led them to victory, would not last long in time of peace; and that in order to evade the obligations imposed on them by the treaties they signed, they could safely count not only on dissensions and discord, but even on rupture between the Allies. Such was the cause of the general uneasiness, for the failure to carry out the terms of the treaties and the refusal to pay reparations would render the application of sanctions inevitable, and such a step would involve complications the scope and gravity of which could not be anticipated. This state of affairs must be remedied by the reconstruction of the devastated areas, and this could be done by settling the inter-Allied debts. It would then be easy to find means for the reduction of armaments.

Thus, while heartily supporting M. de Jouvenel's proposal, he for his own part recommended that the States—all the States—should make every possible effort to ensure the observance and fulfilment of treaties.

M. BRANTING (Sweden) felt that this was a historical occasion, being the first time the great powers had proposed to appeal to the League of Nations to solve one of the greatest of the problems which was troubling humanity. The countries which had remained neutral suffered no less from the present situation than did the belligerents. Difficulties were everywhere increasing, and it was the duty of the neutrals to give their full support to all the attempts which would be made with a view to restoring confidence and to initiating the era of the economic restoration of the world.

The speaker thought that in associating himself with the spirit of the resolution so eloquently presented by M. de Jouvenel, he was expressing the feelings of the States which were in the same situation as Sweden. The question of the settlement of debts was closely connected with that of the reduction of armaments, and if economic stability could be re-established, the inevitable result would be an improvement in the situation of the whole world.

Referring to Mr. Fisher's remarks on the necessity for the adherence of the United States, he added that it was indispensable to secure the sincere collaboration of Germany; it was in this way that public opinion in the former neutral countries regarded the possibility of payment by Germany. These payments would be an act of justice, and an agreement must be reached in order that they should be carried out.

The speaker saw in the adherence of Great Britain to M. de Jouvenel's proposal a proof that the alleged misunderstandings between the two great Allies were not insurmountable; and these two countries would afford valuable aid to the other nations in accomplishing that reconstruction which was so necessary for humanity.

M. LE JONKHEER LOUDON (Netherlands) enthusiastically supported the proposal of the French Delegation. He wished, not only to give expression to his personal feelings, but to declare publicly his entire agreement with this proposal, which summarised in a practical manner that submitted by Lord Robert Cecil.

Although it was true that the League of Nations was not in a position to solve all the economic problems which arose, it was able by using its weighty authority, its prestige, and its increasing influence, to take a step which would have far-reaching consequences by its action in inviting the Governments to take the bull by the horns.

The solution of the economic problem depended on the solution of the financial problem which concerned every country. It was imagined that some countries had enriched themselves during the war: this was an error. Some individuals and some companies had been able to make their fortunes, but at present suffering was universal.

The League of Nations therefore asked the Governments concerned to solve the great problem. Neither could do anything alone, but the neutral countries had already voiced their united opinion; on the day on which all the Members on the League of Nations should have reached a full agreement, their voice would acquire such volume that it could not fail to be heard.

If the League of Nations succeeded, a great step forward would have been made in solving a vital problem.

Like the previous speakers, he was convinced that all schemes for disarmament, with or without guarantees, would come to nothing as long as the great financial and economic problem had not been solved. For this reason he supported the formula of M. de Jouvenel and Lord Robert Cecil. He hoped that the former neutrals, the small countries which were in the same situation as Holland, would add their voices to his in favour of the prompt realisation of a happy solution.

M. MOTTA (Switzerland) wished in his turn to state the adherence of his country to the proposal submitted in perfect agreement by M. de Jouvenel and Lord Robert Cecil.

It was inevitable, as he had foreseen, that in studying disarmament the Committee could not fail to encounter the question of reparations and inter-allied debts. There would certainly be no vital problems henceforward from which the League of Nations would be excluded ; the world had learned in the school of suffering that all problems were interdependent and that it would only escape from the distress and ruin which threatened if all countries made a united effort to obtain reconciliation and peace.

The question of reparations had been discussed, but the right of France to staunch and heal her wounds had never been contested. The questions to be solved had always been questions only of method, practicability and moderation.

M. de Jouvenel's proposal contained a recommendation addressed to the Governments which had signed international treaties and agreements, requesting them to make a common effort ; it was understood that the question of reparations and inter-allied debts was primarily the concern of the countries directly interested ; it was only if they were incapable of reaching an agreement that they would apply to the Council. In this connection, he had to raise a very delicate question in his sincere desire to serve the cause of peace. As God was his witness, he had no ulterior motive, and he was speaking with the best intentions, being guided above all by his passionate love for the noble, great and glorious French nation. But which were the Governments concerned ?

He had understood that M. Hymans referred to the great Allied Governments. He would be glad if he were mistaken, but he thought that among the Governments concerned should be included the Government without whose co-operation it was vain to hope that the reparations question could ever receive a satisfactory solution.

By this he meant not only the Government of the United States, but another Government which had been in the minds of the whole world. The League of Nations had also need of the collaboration of Germany, and he was considering the hypothesis that Germany would look towards the League.

Germany had not sent in a request for admission. Frankly, he had hoped that this request would be made this year, and that a unanimous arrangement would be reached to open the door of the League to this great conquered nation. Since 1920 Germany's desire to enter the League had weakened ; now public opinion even seemed to show some hostility. This was an unhealthy and a dangerous feeling ; it was to be hoped that Germany would understand that it was her duty to collaborate in all the enterprises of peace.

Although Germany was not yet a Member of the League of Nations, she would not have to be repulsed when she desired to make overtures to the League.

He had represented his country at the Genoa Conference, and he did not know what the result of the deliberations of the Assembly would be ; but one fact would remain through all history, and that was that the Convening Powers had considered Germany and Russia as being entitled to a place on the Political Committee of eleven. This was a result which would have consequences which he hoped to see developed.

21st September 1922 would perhaps become an historic date. The League of Nations was certainly the child of victory, but it had risen above this victory. It could not be merely an alliance of victors, it would have to become a just and impartial League which would pronounce the final words of peace and reconciliation.

THE COUNT DE GIMENO (Spain) stated that the meeting held that day would be much talked of in the political centres of the world ; two great Powers, which might have sometimes been thought to hold diverging ideas on questions of procedure and method, had come to an agreement. That was a great step towards moral peace, the basis of political peace.

Together with all people of good-will, Spain congratulated herself on this happy event which had occurred under the auspices of the League of Nations.

MR. H. A. L. FISHER (Great Britain) spoke on behalf of the Japanese Delegate, and stated that the latter withdrew the amendments which he had submitted, with the exception of the one dealing with the third paragraph of M. de Jouvenel's proposal. Was it intended that all non-European nations should be excluded from the regulations contemplated ? It would, he thought, be easy to agree on a wording which would be satisfactory to Japan.

M. DE JOUVENEL (France) replied in practically the same words to the three authors of amendments.

Speaking to Count Tosti, he said that the last sentence of the proposed text had precisely the meaning attributed to it by the Italian Delegate. It was quite clear that, in his own mind, he had meant all the Allied Governments ; the use of the plural left no doubt in the matter. Agreement with the Italian Delegate was therefore complete, and he hoped that he would not consider it necessary to insist on his amendment.

He made the same reply to M. Manolesco. He thought that France's loyalty to international agreements and treaties had been sufficiently strongly affirmed by him ; both in the text of his resolution and in the commentary he had made upon it France had no need to give further proofs of this loyalty.

The Japanese Delegate must not misunderstand them when they said, "In so far as these questions can be regulated by the unaided efforts of the European nations." This in no way implied that the non-European nations, especially an allied nation like Japan, were not to be associated in the work. Moreover, Lord Robert Cecil would be able to emphasise that in his report, and the fact of their agreement would thus be put on record.

The speaker asked the Committee not to alter the text, in order not to destroy the unanimous nature of their agreement. He requested this with the more emphasis in that certain remarks which had been made by the representative of a neutral country—the speaker was in no way forgetting the obligations of a guest—forced him to say that no doubt could exist with regard to this text upon which the four Allied Delegations had agreed, and no one ought to try to introduce any ambiguity or alteration of the terms.

As Mr. Fisher had just said, they had been in agreement upon opinions and upon principles, but not yet upon methods. To-day they had been fortunate enough to reach agreement upon methods as regards the Allied Powers and thus to have tightened the Alliance, the ties of which sometimes appeared to be slackening. Not only had they realised full agreement between the Allies, but between the greater part of the neutrals. He therefore asked the Committee to do nothing to affect this unanimity, and he congratulated them on having taken the first step towards dissipating the nightmare which had weighed upon Europe and the shadow which had hidden the solidarity of mankind.

M. HONDA (Japan) took note of M. de Jouvenel's statement. The Japanese Delegation had proposed its amendment purely with the object of securing unanimity with regard to the proposal before the Committee. Under the present circumstances, the Japanese Representative could only associate himself wholeheartedly with the resolution; his country had rallied to its European Allies in order to secure the triumph of liberty and still worked with them with the object of achieving the great work undertaken by the League of Nations for disarmament and world peace.

COUNT TOSTI (Italy) withdrew his amendment.

M. MANOLESCO ROMNICEANO (Roumania) also withdrew his amendment, which he had only proposed because he wished it laid down that all States should co-operate in order that the treaties might be respected and put into force.

M. MOTTA (Switzerland) was convinced that M. de Jouvenel's words implied no discourtesy, and he would make no criticism in order that the fine, great and noble task undertaken by the French Delegate might not be made more difficult. He would merely affirm that his own words were in accordance with the general outlines observable in the speeches by representatives of the greater nations. He had neither twisted nor forced the meaning of anything; things spoke for themselves; *res ipsa loquitur*.

The discussion was declared closed.

M. de Jouvenel's proposal was adopted with the reservation that Lord Robert Cecil would draft a preamble which would in no way modify the scope of the proposal.

THE CHAIRMAN said it was a matter of great pride to him to have presided at this very important meeting, which proved that the calumnies against the League of Nations which had been spread throughout the world were false, and that the League was full of life. Its action was the best proof thereof.

APPENDIX IV.

Certain Speeches by the Indian Delegates in the Assembly.

ANNEX I.—*Speech by Viscount Chelmsford in the Assembly, 19th September, on Opium.*

Mr. President, Ladies and Gentlemen, when some few weeks ago I accepted the invitation of the Government of India to come here as the First Delegate for India, I accepted it because I was ready and willing to serve India in any capacity in which it might be thought I might be useful; but I am bound frankly to confess that I came here a profound sceptic as to the value and utility of the League of Nations. A fortnight's acquaintance, however, with the working of the Assembly and of the Committees has made me hope that my scepticism was unwarranted.

I found, in the first place, an atmosphere of general goodwill and desire to co-operate which it would be almost impossible to conceive of unless one was living actually in the middle of it, and I believe it is almost equally difficult to convey to those who are outside the League what that atmosphere of goodwill and co-operation is.

I found, in the second place, the eminently practical handling of the subjects dealt with in the Assembly and in the Committees, a handling which gave the lie to the insinuations which are so often made outside, that the League of Nations lives and moves and has its being in an atmosphere of unpractical idealism.

I found, in the third place—at least I hope I have found in the third place—a sincere determination on the part of the countries which are Members of the League to accept the resolutions of the League and to carry them out effectively and sincerely. These, it seems to me, are the three conditions precedent to success in the work of the League.

Now let me apply these conditions precedent, as an acid test, to the work of the League in connection with the abuses of the drug traffic. May I remind you that this subject of the traffic in opium and noxious drugs is one of those which has been committed to the special charge of the League by Article 23 of the Covenant?

As to goodwill, I am sure that on this point we are all agreed—we who are Delegates to this Assembly—that these abuses must cease. Each one of us has had it brought home to him what the evils and the horrors of the system are, and scarcely a day passes without some miserable story being disclosed in the columns of our Press.

Coming to the second point, the practical handling of this question. I am sure that those who are interested in this subject will have admired the sane and sober manner in which the Advisory Committee on Opium has discussed this question, and the very practical methods which they have advised for adoption by us with reference to it.

It is only when I come to the third condition precedent, namely, the sincere determination of the countries who are Members of the League to carry out the resolutions of the League, that I must confess to some disappointment. Let me take, in the first place, The Hague Convention, which is the key of the whole situation. There are still many—too many—countries which have not yet adhered to this Convention. I was delighted to hear in the Report that the Delegate from Switzerland had announced that his Government and his Federal Council were taking this matter into their very grave consideration. I was also delighted to hear the Delegate from Persia say in the Committee that he had advised his Government to adhere to this Convention. I am sure we shall be more than delighted if by next year we find that the Persian Government has adopted the advice which has been given to them by their Delegation.

The corollary to The Hague Convention consists of that system of Importation Certificates which has been devised by the Advisory Committee on Opium. The explanation of that system has already been given to you and is contained on page 3 of the Report; and I shall not therefore weary you by reciting what that system is. I would remind you, however, that the system in question was unanimously approved last year by this Assembly, and I would ask you to look at the list of the States which have not yet signed or said that they would adopt it. Only one half, I believe, of the States who are Members of this League have signed that agreement, and even fewer have said that they were prepared to carry out its provisions, and this after the solemn approval by their Delegates in this Assembly of the proposals put before the Assembly last year.

I know that Governments are busy; I know that Governments sometimes do not understand; but surely it is our duty as Delegates to jog, in these matters, the memory of our Governments and to endeavour to explain where our Governments appear not to understand.

And behind the Delegate there is the admirable Secretariat of this League of Nations, which is always ready and willing to give the fullest information when information is asked for.

Co-operation, after all, is the essence of the campaign against this traffic, and I sincerely hope that before the meeting of the next Assembly the lists of the non-adherent States in these two matters will be greatly diminished, if not entirely wiped out.

But let me pass on. There is a very important extension proposed of the Certificate System. Delegates will find the proposal in the Report on page 3. This Assembly owes the origination of that suggestion to Professor Gilbert Murray, the representative of South Africa. The Committee, however, when he brought forward that proposal, wanted to be certain that they were on sure ground with regard to it, and so they have referred it, in view of its complicated and difficult nature, to the Advisory Committee, with the request to the Council that if they agree with the Advisory Committee, and that Committee approves of the proposal the Council will act without further reference to this Assembly.

I think the Assembly will judge of the very great importance of this proposal when I tell them that it will affect two-thirds of the available world supply of opium to non-producing countries. Therefore I look with very great hope to good results from this extension of the Import Certificate system, and I trust that if the Council agree to it there will be no delay over the adherence of the States to this and the other portion of the Import Certificate system.

There only is one other matter to which I would refer, and that is with reference to the statistics required of dangerous drugs. You will find that reference on page 4 of the Report. The Advisory Committee on Opium have informed us that they cannot really advise methods for control of this difficult traffic until they are supplied with adequate and accurate statistics from the various countries on questions of manufacture, import, export, distribution, and consumption. And I must remind this Assembly that the Council of the League have already asked for this information from the various countries which are Members of this League, but up till now only four countries have made the answer which was requested by the Council; they are Great Britain, Canada, France and Italy. And so it comes about that here we are in the Assembly again asking the countries which have sent us here that they will

provide the information without which this Advisory Committee says it cannot properly advise on the control of this terrible traffic.

I referred at the outset of my speech to three conditions precedent to the success of the work of the League of Nations. They may have appeared to some to be self-evident. but can it be said, on the facts which I have put before the Assembly this morning, that it has been superfluous to refer to them? I have applied to this traffic the test of these conditions. In the case of the first two conditions, I think we may regard the answer to that test as favourable, but can anyone be satisfied with the results of the test in the case of the third condition? Take, for instance, The Hague Convention, the Import Certificate System, and the statistics asked for. In each of those cases only a fraction of these nations which sent us here have agreed to what we have asked them to agree to, or have furnished us with the information which we have asked for. Until you can get the co-operation of all the nations and all the countries which are Members of this League, which is the essence of the situation, you will not be able to deal with this terrrible traffic. With it I am confident that we shall have success, but without it I fear we shall never remove from our midst the dangers, the horrors, the misery which are attendant on the abuses of this drug traffic.

ANNEX II.—*Speech by H. H. the Maharajah Jam Saheb of Nawanagar in the Assembly, 19th September, on Opium.*

Ladies and Gentlemen, my eminent colleague, the chief Delegate of India, in his tactful and eloquent speech yesterday, told us that he came here somewhat a doubter, but is now a convert. Whilst congratulating him and ourselves on this fact, may I testify to the truth of the statement that there is more joy in Geneva over one doubter who is converted than over ninety and nine satisfied souls who need no conversion.

I noticed in the Press this morning, and I was told by Viscount Chelmsford afterwards, that he is described in the local Press as a Hindoo. I take it therefore that his conversion is double and complete.

On the subject of opium I do not claim to be an expert, but it is precisely because I am not an expert that I request to be permitted to say a few words. I am an Indian, and India figures in the general mind as perhaps, *par excellence*, the opium-producing country. Ask an ordinary citizen of most Western nations the question, "Which are the opium-producing countries?" and it is long odds he will at once reply, "India and China." And I rather fancy that any ideas he might entertain about opium would be founded on the sweeping and easy belief that every Indian grows opium and every Chinaman smokes it.

Indeed, it is not too much to say that, outside the circles of expert knowledge, Western public opinion on opium sees nothing except "opium profits" and "opium dens." To the expert and to the well-informed this may appear absurd and even incredible, but it is none the less true enough to be called true.

Does any appreciable number of Western people even know how large a proportion of the opium produced is used by modern medical science in the composition of medicines essential to the best medical practice? I am not, of course, thinking of the ladies and gentlemen who come to this Assembly, and make history, but of the more numerous ladies and gentlemen who stay at home and merely make public opinion.

I wish the "Opium Question" could be called the "Opium Abuse Question." You know the proverb, "Give a dog a bad name and hang him." Well, men are hanged, not only by names, that are bad, but also by names that are not good.

It seems to me important that more people should realise that, in certain Eastern countries, including India, quite apart from any abuse of opium and quite apart from regular scientific medical use of it, there is a quite legitimate general and popular use of opium. Quite outside scientific medicine, opium has always been used in India by the people as a home-made medicine, just as various herbs and simples are even now used by the country folk of Western nations.

The aim of our attention to opium here is of course, the regulation of production and traffic, in order to minimise and eventually to eliminate the detrimental use of opium and of its derivative drugs. State laws and regulations which come to be initiated or come to be improved in consequence of our efforts are of capital importance, and their aim and tenure merit and receive universal acclamation among well-informed and intelligent people.

But I very respectfully suggest to you that it is quite important to recognise that there are —for instance, in India—a large number of people who, on the one hand, do not regard opium as a detrimental product, but as a natural product, and who, on the other hand, have suffered, and still suffer, considerable loss in consequence of State regulation of production. Intelligent opinion in India knows that State regulation of opium has involved a loss of revenue to the Government of about 40,000,000*l.* in the last 10 years, and intelligent opinion is glad that this loss is much more than compensated by the great good that has been achieved. India applauds the result, and is proud to be privileged to make, in so worthy a cause, what it is, fair to call a sacrifice. But even intelligent opinion sometimes overlooks the fact that

the loss to producers has been not 40 millions, but about 120 millions. Remember that India is per head of population, a poor country, and in particular the cultivators are poor, and they form the large majority of Indians in India. Much of the sacrifice falls on them—some of them are hard hit by it—and they do not appreciate, because they do not know, that they are sharing in the suppression of a grave abuse.

I may be wrong, but I do not think enough attention has been given to spreading among the people who bear the sacrifice such information as would enable them to understand that their loss is a great blessing for others. It is an old saying that laws without moral assent are vain; and moral assent much depends upon full information.

There is another point. Although India produces a large amount of opium, and consumes in the aggregate a large amount, India has a very large population, and is a very small consumer of opium per head per annum, especially when one remembers that opium may be regarded as the Indian parallel to wine and beer in Europe and America.

It may not generally be known, but I believe I am perfectly correct when I say that Indian soldiers after a long march regard a very small dose of opium in the same light as European soldiers regard a cup of tea or coffee or cocoa, or a glass of beer or wine. What is more important (and I do want to impress this upon your mind) is that medical practice gives its assent to such use being made of it. Then, again, the labouring classes in India, after a hard day's work, regard opium, just as a European workman regards tea or his beer. Then, again, old people in India take opium as a useful assistant to the disabilities of old age, just as in Europe old people take their native stimulants. I want to impress another thing upon you, that in India, which is a hot country, a sedative is essential. In Europe, which is a cold region, a stimulant is necessary for the blood. Beyond this, opium is not only scientifically but popularly used in India, and largely used—it may be a surprise to all—as a veterinary medicine. India has many cattle—I think the number is 175,000,000 of cattle—and besides that there are any amount of camels and donkeys and horses. I believe the figure of the latter is about 5,000,000.

Now if you take the total annual consumption per head of population in India, what does it amount to? It amounts to two grammes per head per annum, and that is about the weight of about two-thirds of an ordinary lump of sugar. But when you take into account the veterinary use which is made of opium, I believe, even if you take the sum of opium which is taken by human beings as the same as that taken for cattle, which is not the case, it reduces the two-thirds of a lump of sugar to one-third. So you cannot rate India as an extravagant consumer of its native equivalent of Western liquors.

In this connection I may further add that no one would think of calling that great country, the United States of America, an opium-consuming country, and yet, no doubt for very legitimate and proper purposes, I am reliably told, and I believe it, it consumes about twice as much opium as India. Of course, my figures are, as we say here, globular, and that also reminds me that opium is not smoked in India, but is eaten in a globular form. However, my main point is to suggest to this Assembly that international and national regulation of opium should not leave out of account the importance of informing the people of India, who feel the incidence of such regulations.

Further (and I do want to emphasise this), India, while applauding the policy in question, would like to be assured that the loss to the innocent Indian cultivator does not mean gain to other countries.

I do not desire to challenge the statement of the honourable Delegate for China, because the contention that the neighbouring countries export opium to a large extent has been so far exploded by the Committee on Opium that I think it would be futile for me to attempt to do better than that Committee has done. Finally, I do desire to add this, that however desirable it may be, it is none the less difficult, when the economy of our daily lives is affected, and badly affected, for all of us to be philanthropists all the time.

ANNEX III.—*Speech by Sir Sivaswamy Aiyer in the Assembly, 20th September, on Mandates.*

Ladies and Gentlemen, I come forward to support the resolution which has been moved by Dr. Nansen, and in doing so I wish to make a few brief observations on matters of general interest to the Assembly which have been suggested to me by a study of the reports of the mandatory Powers. I desire to associate myself with the tribute which has been paid to the members of the Permanent Mandates Commission for the admirable solicitude which they have displayed for the welfare of the populations committed to the charge of the mandatory Powers and for the scrupulous regard which they have shown for the letter and the spirit of Article 22 of the Covenant.

No question has escaped the watchful eye of the members of the Permanent Mandates Commission. It is satisfactory to learn from them that forced labour is wholly or practically unknown. It is interesting to find that the members of the Mandates Commission draw attention to the features attendant upon the system of indentured labour which has been

ntroduced into some of these territories. They call attention to the social dangers which are inseparable from a system of indentured labour. Explanations have been given by the Representative of New Zealand, but I am not certain that they are quite reassuring. One reason why the women in China are unwilling to come forward is said to be that they demand the same conditions of work and the same pay as the men. That, I think, is a demand which is reasonable enough and which, I think, we cannot complain of.

It is also said that the three years' indenture under which the labourers are imported allows too short a period for the Chinese labourer to learn the language or to associate with the natives of the country. I am afraid that these circumstances are not sufficient guarantee against the dangers which are only too likely to follow the exclusive importation of male labour.

We in India have had some experience of the dangers attendant upon the immigration of an exclusively male labouring population, and it has always been the endeavour of the Indian Government in the past to secure a due proportion between the sexes among the immigrants. I have no doubt that the Government of New Zealand, which has displayed so much solicitude for the welfare of the people committed to its charge, will realise the importance of this aspect of the question, and will see that a due proportion of the sexes is ensured among the labourers whom it recruits from China.

Another important question to engage the attention of the Commission is the subject of land tenure. There is no tendency more common among modern lawyers than to read back their conceptions into the past, or to extend them into the interpretation of the rights and usages of primitive communities. We have a tendency to imagine that unless rights of ownership are proved by the same or similar acts of exercise as we are accustomed to expect in civilised communities no such rights exist. That is a danger against which we have to be on our guard.

It is a matter for satisfaction that the members of the Permanent Mandates Commission have resolved to call for the land laws of the different territories committed to the charge of the Mandatories and to study this question further.

An extremely dubious claim has been put forward in the French mandated territory to what has been called the private domain in the State. I have no doubt that this matter will also receive the searching and careful consideration of the Permanent Mandates Commission in the next year.

Another important question which has engaged the attention of the Commission is the evils which have followed the demercation of the boundary between Belgian East Africa and Tanganyika. The recommendations of the Commission are drawn up with a due regard to the susceptibilities of the Great Powers, and the resolution of Dr Nansen is also couched in extremely modest terms. Speaking for myself, I should have preferred to accord a more emphatic endorsement to the conclusions of the Permanent Mandates Commission. I should have preferred the language of the Marquis Imperiali when he recommended his draft resolution, in which he invites the Council to draw the attention of the Powers to the recommendations of the Permanent Mandates Commission. I should have liked to ask the Council to express its hope that the boundary between Tanganyika and Belgian East Africa may be so rectified as to avoid the dangers which have been pointed out by the members of the Commission.

But though the resolution of Dr. Nansen, or rather of the Sixth Committee, has been couched in very modest terms, with a modesty which becomes us when we deal with the susceptibilities of the Great Powers, I hope that our modesty will be duly appreciated and that the Powers concerned will devote some consideration to the questions to which their attention has been drawn.

Before I proceed further I should like to associate myself with the acknowledgment which has been made by the members of the Mandates Commission of the services rendered by the representatives of Australia, of New Zealand, and of Japan to the Commission in their examination of the reports of these various mandatory Powers.

I should also like to pay a tribute to the solicitude for the well-being of the natives which has been displayed by those various mandatory Powers in their administration of the territories. When Sir Francis Bell made his remarks yesterday, I was wondering what there was in the report of the Mandates Commission which had offended his susceptibilities and called forth the note of warning which he thought it necessary to sound. I have re-examined the report of the Mandates Commission, but I have not been able to discover anything in that report which could have offended the susceptibilities of anyone. Far from criticising the administration, they extol the virtues and the merits of the New Zealand administration. I should have thought that the Permanent Mandates Commission would have been entitled to expect the thanks of the New Zealand administration, but it is a hard world and it is difficult to please everyone.

As regards the dangers which Sir Francis Bell has spoken of, I am unable to find any departure from the constitutional position which he so correctly laid down. I see no desire or

any intention to infringe upon the position or upon the principle which he laid down. The Permanent Mandates Commission has made its report only to the Council, as he says it ought to have done, and it is the Council which has submitted to us the reports of the Permanent Mandates Commission as annexes to its report. We are entitled, as Members of the Assembly, not merely to the opinions of the Council, but we are also entitled to be placed in possession of the material upon which the Council has formed its opinions. I have been unable to discover any impropriety or any desire on the part of the Mandates Commission or of the office of the Secretary-General, to depart from the strict canons of propriety.

Ladies and Gentlemen, it is unfortunate that the South African Union should not have accorded its assistance to the Mandates Commission in the same way in which the other mandatory Powers accorded their assistance. It may have been due to circumstances over which they had no control or to indifference or unwillingness. At any rate, the attitude of the South African Union is open to misconstruction, and I venture to express the hope that when next year the reports have to be examined, the South African Union will be as able and willing as the other mandatory Powers to lend every aid in its power to the Mandates Commission.

It seems to me, however, that it is just possible there may be some misconception in the minds of the responsible statesmen of South Africa with regard to their obligations in this matter. I noticed that in a speech delivered by him some time in September 1920, General Smuts, the great South African statesman, uttered remarks which seem to me to be not quite reconcilable with the true position of mandated territories. He observed that the territories held under the "C" class mandates were practically annexed—that they were annexed all but in name to the territories of the administration of which they formed a part. It is quite possible that in this view the Premier of the South African Union may regard his obligations in respect of the mandated territories as of a purely temporary character, and it may be that in this view these obligations sit rather lightly upon him. But I venture to think, with all deference to that great statesman who himself was in no small measure responsible for the theory of mandates, that the territories held under the "C" class mandates cannot possibly be treated as annexed to the territories with which they are administered. The intention of Article 22 of the Covenant seems to me to be perfectly clear. All these territories which are dealt with under Article 22 are regarded as a sacred trust of civilisation and they are all to be administered as a trust estates, and it is only the method and the manner of the administration which varies in the "A" class, in the "B" class, and in the "C" class mandates. General Smuts seems to have relied upon the fact that in the mandates applicable to the "C" class territories they are to be administered as an integral part of the territories to which they are attached; but that expression is common both to the "C" class territories and to the "B" class territories. You find it in Article 9 of the mandate which applies to the "B" class territories, and you find it in Article 2 of the mandate which applies to the "C" class territories. General Smuts is prepared to admit that the position is different with regard to the "B" class territories. I submit it is exactly the same with regard to the "C" class territories as with regard to the "B" class territories. The trusteeship of these territories is all vested in the League of Nations, and once that trusteeship has been created the Council, which is what may be called the statutory organ of the League, is responsible ultimately for the welfare of these territories. It must be remembered that a mandate is in theory and in essence revocable These "C" class territories are a separate legal entity, and all possess the indestructible potentiality of independent existence.

Article 22 of the Covenant marks a new era in the conception of white races as to their obligations to coloured races. The idea that coloured races have rights may not be a new one, but it is the first time that it has been mooted in a solemn document of first-rate international importance like the Covenant of the League of Nations, and it is the first time that safeguards and machinery have been provided for the fulfilment of the obligations implied in this conception. Whatever lip homage the idea may have commanded in the past, it is the first time that it has secured moral acceptance and real adhesion. The Commission observes that the prosperity and well-being of the aboriginal population is in inverse ratio to its contact with the colonisation of its former masters. The British member of the Commission said that in South Africa there was a most striking example of the destruction of the organisation of a native population by the invasion of a white civilisation.

I hope that these chapters in the history of the contact between the white and coloured races are closed for good, and that we shall be able to look forward to a reign of humanity and justice.

Even now we hear of the centre of gravity in international affairs being gradually shifted to the Far East and to the Pacific coast. But why? Let only the nations of the earth give up their earth hunger and their rivalry and cupidity for markets, and their desire to appropriate vast uninhabited continental spaces, we shall then be free from the chances of strife and conflict. It is only to the extent that we are able to conquer these cravings for land and for markets, and to the extent that we are able to conquer the vulgar though deep-seated prejudice of colour, that we shall be able to realise the ideals of humanity and justice, and then, and then only, will this Assembly become a real federation of the world and a lasting bond of peace.

ANNEX IV.—*Speech by His Highness the Maharajah Jam Saheb of Nawanagar, in the Assembly, 21st September, on Minorities.*

Mr. President, Ladies and Gentlemen, will you permit me to crave your indulgence for a few minutes on the subject of minorities.

A few days ago we listened with very appreciative attention to a speech on this question by Professor Gilbert Murray. No doubt your interest was stimulated by the personality of the distinguished Delegate of South Africa, who is the very man a Delegate to this Assembly should be, a wide minded politician, a great name in literature and scholarship, and a very great practical idealist. No doubt, too, the admirable form and matter of his speech attracted you. But I cannot help feeling, from the way in which you received his speech, that the sense of this Assembly itself is sympathetic to the questions as to minorities, and that it is alive, and very much alive, to their importance in the fabric of the new and better world which it is your aim and object to build and which you are building; it is your evident sympathy and alertness, where minorities are concerned, that encourages me to address you here to-day.

Professor Gilbert Murray very wisely and very rightly pointed out that the question of minorities is not merely a humanitarian question, but that it is also a political question, and he said that we must spread general contentment with the new distribution of Europe, or the new distribution of Europe will not endure.

Mr. President, Ladies and Gentlemen, there are minority questions outside Europe, and the political order outside Europe, in other continents, even, where distributions are of older standing, will not be happy, will not be contented, will not be completely stable as you would have them while any open sores remain unhealed. Africa, for example, does not always produce novelties—even, I am glad to say, in the case of her Delegations to this Assembly. Africa sometimes reproduces what is very well known in Europe. In short, we Indians have what are to us insistent and irritating minority questions in Africa. I have every hope that at least one African minority question will soon be satisfactorily settled on a proper and just appreciation of its merits by the British Government.

So I will confine myself to the outstanding questions of the minorities which are under the South African Government. I refer, therefore, to the position of the Indian communities in South Africa under that Government. These are genuine minority questions which are of somewhat long standing; and my purpose is not at all to bring before you the cases specifically, which perhaps would not be in order. But I have a very distinct purpose, and it is to appeal—and you may regard it as a personal appeal if you wish—to the Delegates of South Africa here present; and, by the very token that they are the declared champions of the rights of minorities, to ask them to influence their Government, when they return home in favour of satisfactory settlements of these particular minority questions, which are their very own. I address my appeal to them through you all, because I feel very strongly that the atmosphere of sympathy and good feeling with which this great Assembly cannot fail to endow such an appeal, will give that appeal a vivid human power such as it could not obtain elsewhere. I want the spirit of the League of Nations, which is incarnate in this Assembly, to grant my appeal its aid. I should feel false to my fellow-countrymen in India, and also to my fellow-countrymen in South Africa, were I to neglect this unique opportunity of summoning to the assistance of their aspirations the spiritual power and the spiritual blessing of your sympathy.

Remember, Ladies and Gentlemen, this is not a matter which concerns merely my nationals in South Africa alone. Their interest is immediate to them, and they may be mere thousands; but there also is a strong fellow-feeling in the hearts of many millions of Indians in India itself. These matters are, therefore, not merely causes of discontent locally in South Africa; they are causes of discontent all over India in a population approaching one-fifth of the human race. But more than this, if the present distinguished Delegates of South Africa can induce their Government to settle these questions happily (I know, of course, there are difficulties, as there always are), not only would one house be set in order, but *three* houses would be set in order.

We of the British Empire are a big family. The British mother has taken to her bosom the grizzly bear, the kangaroo, the lion and the ostrich, the tiger and the kiwi, and with a family of that description quarrels are bound to occur. South Africa would be more contented and more united; the Government of the British Empire would be relieved of a troublesome political reference, and India would be deeply grateful and would feel that an old wound had at last been healed. But happily there is one cardinal virtue in the British Empire, that is when we are attacked by a common foe we are one really happy family and the elements I have alluded to all unite together in the defence of the Empire.

Ladies and Gentlemen, these minority questions have sometimes wide ramifications, as we all know so well, but, at any rate, I do feel that it is right, that it is fair, here in this Assembly, to remind the South African Delegates, who are such sincere and such shining protagonists of the League of Nations, that other virtues besides charity may well begin at home.

For instance, take political justice. When I see such representatives of South Africa as Lord Robert Cecil, whose value here we all so deeply appreciate, and Sir Edgar Walton, a

statesman of great experience and wide outlook, and Professor Murray, the knight-errant of minorities: when I remember that the present Prime Minister of South Africa, an exact contemporary of mine at Cambridge University—on whom Lord Robert Cecil passed worthy eulogy yesterday, and I may say I whole-heartedly associate myself with that tribute of high praise—is not only a foremost supporter of the League of Nations, but has himself in the past suffered experiences which must render him peculiarly appreciative of how poignantly a minority may resent its position; when I am sustained by the atmosphere and spirit of this Assembly, I cannot believe that these minority questions will remain long in their present unsatisfactory state, despite all the difficulties of amendment.

The chief Delegate of India, Viscount Chelmsford, who took such a leading share in the recent political reforms in India, could have addressed you on this subject with greater knowledge and certainty and with superior force of eloquence, but owing to the fact that he would have been burdened with an acquaintance with the many delicate and confidential details of the case, which he could not put out of his mind and yet could not properly put before this Assembly, the task has fallen to my lot. Lord Chelmsford during his great vice-royalty, which saw what are truly epoch-making changes in the constitution, was staunch in upholding the status of my countrymen all over the world. I sincerely hope that some Delegate for India next year, here on this very platform of international amity, goodwill, and universal fraternity, may be able to thank the representatives of Great Britain and South Africa for a final satisfaction of the just aspirations of the Indians of South Africa and of Kenya Colony.

We, in this Assembly, believe that one God made all men to walk erect on one earth; and we believe in one truth and one justice, universal for all men, and it is to this atmosphere and to this faith I make my appeal. But outside this Assembly there have often been two justices, one for the West and one for the East. It is for the League of Nations to engraft its own conception, the far higher, the far better conception, upon the universal practice of mankind. What is our ideal? What is our purpose? What is the very reason of our being?

Let us have catholic justice and we shall have catholic peace.

ANNEX V.—*Speech by His Highness the Maharaja Jam Saheb of Nawanagar, in the Assembly, 29th September, on Intellectual Co-operation.*

Mr. President, Ladies and Gentlemen, I will try and take up as little of your time as possible because I know that every one of us intends to leave to-morrow and we have got plenty of work still to do. I am sure no one who listened yesterday to the eloquent, beautiful and elevating speeches of M. de Jouvenel and Professor Gilbert Murray could fail to be deeply impressed by their presentation of the necessity of providing adequately for the work of Intellectual Co-operation. In Committee No. IV, India opposed any reduction of the appropriation for this purpose, and here in the Assembly I desire most emphatically to support the amendment* proposed by the honourable Delegate of France. I am reluctant to believe that Committee No. IV fully realised what it was doing when it reduced this vote. The idea that the work of Intellectual Co-operation is vague and unpractical, I submit, is absolutely, fallacious. Nothing at this moment has greater practical importance than the reconstruction of moral and intellectual values. They are the values on which the salvation of the world depends, the only sure and safe way by which we can pass to a new and better world. If we neglect this way we are courting sure and certain suicide. In any case the League of Nations have taken up this work, and it is absolutely absurd, nay almost futile, to do so at all unless we do it well.

Ladies and Gentlemen, may I submit this point? Does it help a naked man in cold and stormy weather to walk abroad if you give him a coat and even a waistcoat, but refuse him his nether garments? As I said before, you must do this thing well, or not at all. Let me illustrate my point in another way. I see before me here an army of delegates representing 46 nations. You engage, nay almost invite, a guide to lead you through the wilderness to the promised land, and then what do you do? You start by putting out the eyes of the guide. But there is another and even stronger point. Is not the honour of the League of Nations at stake in this instance? We have invited some of the greatest of living men to take up this work, men like Professor Bergson, whose names will be familiar to our children's children. We invited them to do this work. Are we to figure before the world as refusing them adequate financial support in the very task which we ourselves have imposed on them? Surely we cannot do this. I go so far as to suggest to you and very respectfully to urge that whatever else we do we must not refuse to stand by the work of Intellectual Co-operation. The work is vital, the very essence of Bolshevik attack on the existing order is an attack on intellect. Its special instrument of death, its very symbol, is a hammer that beats out the brain.

In financial matters here no nation has stood up more consistently, more strenuously, for economy than India. We have fought hard for economy, and I do so now, for I maintain it is not economy to starve the work of Intellectual Co-operation. It is folly, and you cannot afford to do it.

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* Motion for an increase of 50,000 francs to be allotted to the organisation of Intellectual Co-operation

APPENDIX V.

Speech by Viscount Chelmsford to the Council on the claim of India to be included among the Eight States of Chief Industrial Importance, with reference to Article 393 of the Treaty of Versailles.

In the first place, I desire to thank the Council for its courtesy in allowing me to represent India's case before it to-day. I crave the indulgence of the Council while I develop that case, because I am conscious that the Council might have thought it sufficient for me to have presented on behalf of India a memorandum in regard to this question; but India feels so very deeply on the matter that I felt bound to ask for permission to speak.

In 1919 this matter was decided by the Organising Committee of the Washington Conference, and India suffered a very grave disappointment on that occasion. I happened at the time to be Viceroy of India, and I can very well recollect the strong feeling of disappointment expressed by India when that decision was taken. India, however, showed no pique or resentment in the matter and when the Washington resolutions were transmitted to the various Governments, India, I believe, was the first country to pass those resolutions into statutory enactments.

India has also, apart from its disappointment over the decision at Washington, been somewhat bewildered by the attitude of the League towards her claims. Two Committees appointed by the Council have been considering questions concerning India, one to consider her capacity to pay towards the expenses of the League, and the other to consider India's status as a country of industrial importance. When it was a question of paying her share towards the expenses of the League, India's population was a large factor in proving India's capacity to pay. When it is a question of the industrial importance of India, India finds that her total population, through the use of the relative criteria, is used to water down the figures of her industrial population.

I need not remind the Council of the way in which this question has come before it, as this has already been described in the report of Viscount Ishii which has just been read, and in the other papers before the Council. I wish to speak now of the report of the Committee to which this matter was referred, and I should like to say at once that I appreciate to the full the skill and industry which has been displayed in that report. I may say emphatically, however, on behalf of India, that I am bound to differ most fundamentally from the principles which have been adopted by those who investigated this matter. In the memorandum from the Indian Delegates which is before the Council (Annex 420A), India has already subjected the Committee's report to a very searching criticism, and I shall not repeat to-day the arguments which are contained in that memorandum. It may be asked, "What constructive proposal have you to make in place of those contained in the report which your memorandum has purported to destroy? I suggest that the Committee which investigated this matter need have gone no further than the Preamble to Part XIII of the Treaty of Peace, and I will ask the Council to allow me to read the Preamble and Article 387 which follows it, because it is upon that Preamble that I shall base India's substantive case to-day:—

> "And whereas conditions of labour exist involving such injustice, hardship and privation to large numbers of people as to produce unrest so great that the peace and harmony of the world are imperilled; and an improvement of those conditions is urgently required: as, for example, by the regulation of the hours of work, including the establishment of a maximum working day and week, the regulation of the labour supply, the prevention of unemployment, the provision of an adequate living wage, the protection of the worker against sickness, disease and injury arising out of his employment, the protection of children, young persons and women, provision for old age and injury, protection of the interests of workers when employed in countries other than their own, recognition of the principle of freedom of association, the organisation of vocational and technical education and other measures;
>
> "Whereas also the failure of any nation to adopt humane conditions of labour is an obstacle in the way of other nations which desire to improve the conditions in their own countries . . . .
>
> "*Article 387.* A permanent organisation is hereby established for the promotion of the objects set forth in the Preamble." . . . .

I think it is clear from these words that the human element should be the chief concern of the International Labour Office, and, therefore, it is the human factor which must be of paramount importance in deciding what constitutes a State of chief industrial importance. If population alone were to count, India's claim would, I contend, be indisputable. There are, however, two objections which might be urged to this. It might be said that the ratio of the wage-earning population to the total population must be taken into consideration. Why? This is one of the criteria appearing in the report of the Committee, but surely the wage-earning industrial population does not cease to have a claim because it lives side by side with a large number of people with whom the International Labour Office is not concerned? There is a second objection which may be urged, namely, that the trade union organisation of India

is rudimentary. There is no mention of any such condition in the Preamble to Part XIII of the Peace Treaty. Further, I would urge very strongly that for this very reason it is necessary for the International Labour Office to encourage India to perfect its industrial organisation. Consider how useful it would be for the Labour Office, when it is examining the case of backward populations in connection with industries, if it had to help and to guide it a representative of India who was thoroughly conversant with the conditions of the industrial population of that country. Again, India is not reactionary in this matter. I beg to repeat that India was probably the first, or one of the first, countries to convert the resolutions of the Washington Conference into statutory form. I shall not dwell on the question of the population, since in paragraph 7 of the memorandum from the Indian Delegation the whole of our argument on population is fully developed. I should like to say, however, that whatever figures are taken, whether M. Gini's or our own, and whatever reasonable deductions are made from those figures, the figure of the wage-earning industrial population of India must still remain decisive if the human factor is given the importance indicated by the Treaty.

I pass now to the other criteria which are mentioned in the report of the Committee—railways and horse-power. India is not afraid of being tested by any of these criteria. As regards railways, it appears as third among the list of nations. As regards horse power it appears as ninth. Why should the development of maritime tonnage be regarded as a criterion? If it is a criterion at all it is a criterion of commercial and not of industrial importance; and even here, if the human factor is taken into consideration, India has 141,000 maritime workers as lascars on British ships, on Indian ships and on ships of other nations. This fact should surely appeal to the Council, if the human factor is taken into account.

Let me make a concrete test of the value of this criterion. I suppose the United States of America before the war, if this test were applied—I mean the test of its development of mercantile tonnage—would not have ranked as a great industrial State at all. Surely, this deduction, as a result of the application of this test, is to prove it, as Euclid says, as absurd. Why not take trade as some indication of the industrial position? When it was a question of India's capacity to pay, the League itself included this criterion in the table designed to settle India's contribution. From the trade figures of 1913, India was ranked fifth; from the figures for 1919 India was ranked third. These figures are taken from Table 2 in the memorandum by the Secretary-General on the Allocation of the Expenses of the League of Nations.

I pass over the relative criteria which are dealt with in paragraph 4 of the memorandum from the Indian Delegation. I feel sure that anyone who reads paragraph 4 of that memorandum will realise that it has fully met the arguments in the corresponding part of the Committee's report. Similarly, I will pass over the weighting method adopted by the Committee; this would have been unnecessary had it not been for the adoption of the unsound principle of relative criteria.

I proceed now to develop India's substantive claim. I am most anxious to be as concise as possible, and therefore, if the Council will allow it, I will read the last paragraph of our memorandum, because it states that substantive claim as concisely as possible:—

> "It remains to justify India's specific claim to inclusion among the eight States of chief industrial importance. India does not ask that her precise position among these eight States should be determined; the difficulties and dangers of attempts at a precise evaluation of merits in such matters are sufficiently obvious from the preceding paragraphs of this note. Her claim is based on broad general grounds, and does not need elaborate statistical methods to justify it. She has an industrial wage-earning population which may be estimated at roughly 20 millions, and in addition a large wage-earning class employed in agricultural work, details of which are given in paragraph 7 above. Whatever deductions may be suggested from these figures, the outstanding and indisputable fact remains that, consistently with the clear intention of the Treaty, the resulting figure will still be so large that India's position as one of the chief industrial States must be recognised. Even if for the moment we accept M. Gini's figures it may be seen that we obtain the following striking tables of the 12 States with the largest industrial population—

(1) United Kingdom	13,000,000	(7) Czecho-Slovakia	2,500,000
(2) Germany	12,000,000	(8) Poland	2,100,000
(3) France	8,000,000	(9) Belgium	1,360,000
(4) India	8,000,000	(10) Spain	1,300,000
(5) Italy	5,500,000	(11) Canada	1,250,000
(6) Japan	5,000,000	(12) Switzerland	1,000,000

> "These, and no others, have an industrial population of 1,000,000 and over. There is a drop of 50 per cent. between the sixth and seventh States in the list, and no system of weighted adjustments can properly be used to exclude the first six from a list of the eight States of chief industrial importance from the point of view of the Labour

Covenant. At the same time, India's claim does not rest solely on a population basis. India has a railway mileage practically identical with that of France, greater than that of Germany, and markedly greater than that of the United Kingdom; her maritime workers (141,000) outnumber those of any other member of the Labour Organisation except the United Kingdom; she is one of the large world producers of oil and manganese; her cotton industry is markedly more important than the cotton industries of Italy, Belgium, or Japan; her jute industry has no parallel, and her mills supply the world with packing materials; her coal output is very close to that of Belgium, and only slightly inferior to that of Japan. In the Committee's table of absolute unweighted criteria, India stands fourth although the population figure on which that table is based has been shown to be very seriously underestimated."

As practical evidence of India's industrial position, let me remind the Council very briefly of the part she played in the war In doing so, I am making no appeal to emotion, but merely giving proof that what she did could only have been done by a great industrial State. As regards the mining industry it was her coal that largely equipped all the shipping of the East. Her wulfram, manganese, mica, and saltpetre industries were indispensable to the Allies. It is scarcely possible to conceive how the Allies would have fared without her jute and jute products Her cotton and woollen industries to a large extent supplied the needs of the British and some of the Allied forces. Her hide industries supplied boots for the Italian and English Governments The iron and steel industries of India supplied the bulk of the rails used in Palestine, East Africa and Mesopotamia. India served as a base for food supplies for all the campaigns in the East.

I have almost hesitated to place these facts before the Council, because it might appear that I was attempting to prove too much. India, however, is a long way off and she is scarcely known even in Great Britain. I have been there five years as Viceroy, and therefore am speaking of what I know. If any member of the Council would care to assure himself that what I have said is strictly accurate, there is a book in the Library here from which I have taken these figures, namely, "The Moral and Material Progress Report for India, 1917-18."

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